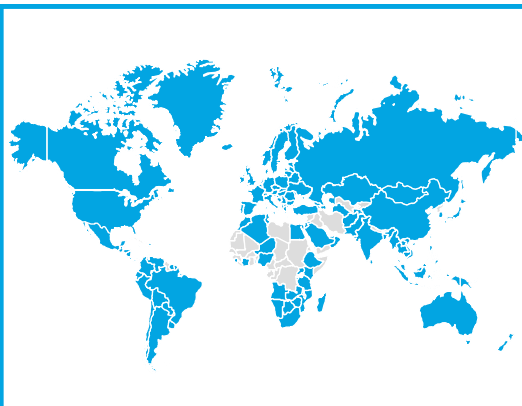


EXPATRIATES

Guatemala

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE

Employers are responsible for withholding tax and remitting income tax for any employees residing in Guatemala.

Any employer who pays or credits payments of any kind, for services performed as an employee, whether temporary or permanent, must withhold income tax from the employee in Guatemala.

The same obligation applies to public employees and officials who are responsible for the payment of salaries and other compensations for services rendered to state agencies, decentralized autonomous entities, municipalities and businesses.

BREAKING RESIDENCY - EXIT PROCEDURES

The following steps should be taken when terminating residency in Guatemala:

1. Inform the Guatemalan Immigration that the foreign person will leave the country.
2. Present a dismissal of the work permit before the Ministry of Labor.
3. The employer shall prepare the final calculation of employees withholding tax, make the retention payment, submit and pay to the tax authorities.
4. It is recommended that the expatriate also deactivate their tax identification number with the Superintendence of Tax Administration.

INCOME TAX RATES

Tax rate	Fixed tax	Range of taxable income
5% on taxable Income	Q0.00	Q0.01 to Q300,000.00
7% on the excess of Q300,000.00	Q15,000.00	Q300,000.00 onwards

SOCIAL TAX RATES

Social security	Social tax rate
Labor share	4.83%
Employer's contribution	12.67%

For further information and to register for future updates contact expat@bdo.global

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