



Decree Establishes Customs Exemptions for 2023

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Decree No. 4,757, issued by the Presidency of the Republic published on Dec. 29, 2022 in the *Official Gazette* No. 6,727 extraordinary, established the exemption for Import Tax and Value Added Tax (VAT) on imports of certain goods and sectors **until June 30, 2023**, as indicated in the Decree.

Exemptions:

- **Personal Property, New or Used:** Imports of tangible personal property, new or used, classified in the tariff codes indicated in Appendix I of the aforementioned Decree, carried out by the bodies and entities of the National Public Administration, are exempt from 90 percent of the import tax and VAT, as well as those carried out with its own resources by natural or legal entities. The items contained in Appendix I concern: food, rubber, cork, tools, wood, base metal manufacture, machinery and spare parts, electrical material, mineral metals, pharmaceutical products, chemicals, textiles, and transportation, among others.
- **Tangible Personal Property:** Imports of tangible personal property, classified in the tariff codes indicated in Appendix II of the aforementioned Decree and carried out by the bodies and entities of the National Public Administration, as well as those carried out with its own resources by natural or legal entities, are exempt from import tax and VAT. The items contained in Appendix II refer to the pharmaceutical sector.

The **common requirements** established by the Customs Administration that the beneficiaries must present to apply the exemption are:

1. a list describing the tangible personal property to be imported
2. commercial invoice issued in the name of the beneficiary in charge of acquiring the goods
3. the certificates, licenses, records and permits that are applicable to the type of merchandise must be recorded in accordance with the Customs Tariff

The required information must be supplied through the electronic format made available by the Ministry of Popular Power with proficiency in economy, finance and foreign trade.

As for the **specific requirements** established by the Customs Administration to apply the exemption, importers must present together with the Customs Declaration, based on their particular case, the following:

1. **Personal Property Indicated in Appendix II:** The Certificate of Non-National Production or Insufficient National Production (CNP or CPNI) must be previously obtained from the Ministry of Popular Power with jurisdiction over industries and national production.

Failure to comply with any of the conditions by the beneficiaries will cause the loss of the exemption benefit provided for in this Decree. In such circumstances, the imported goods subject to the benefit are considered taxed, without prejudice to the sanctions that may correspond, in accordance with the



provisions of the Constituent Decree through which the Organic Tax Code is issued and the Constituent Decree through which the Customs Organic Law is enacted.

Likewise, those who 1) fail to comply with the periodic evaluation according to the parameters of the National Integrated Customs and Tax Administration Service (SENIAT); 2) fail to comply with the obligations established in the Constituent Decree by which the Organic Tax Code and other tax regulations, as well as in the Constituent Decree of reform of the Decree with Rank, Value and Force of Organic Customs Law; and 3) incur in any of the cases indicated in Article 177 of the Constituent Decree of reform of the Decree with Rank, Value and Force of Customs Organic Law.

Finally, the Decree entered into force with its publication in the *Official Gazette* of the Bolivarian Republic of Venezuela, on Dec. 29, 2022, until June 30, 2023.

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