

THE TAX DISPUTES
AND LITIGATION
REVIEW

EIGHTH EDITION

Editor
Simon Whitehead

THE LAWREVIEWS

THE TAX DISPUTES AND LITIGATION REVIEW

EIGHTH EDITION

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PREFACE

The objective of this book is to provide tax professionals involved in disputes with revenue authorities in multiple jurisdictions with an outline of the principal issues arising in those jurisdictions. In this, the eighth edition, we have continued to add to the key jurisdictions where disputes are likely to occur for multinational businesses.

Each chapter provides an overview of the procedural rules that govern tax appeals and highlights the pitfalls of which taxpayers need to be most aware. Aspects that are particularly relevant to multinationals, such as transfer pricing, are also considered. In particular, we have asked the authors to address an area where we have always found worrying and subtle variations in approach between courts in different jurisdictions, namely the differing ways in which double tax conventions can be interpreted and applied.

The idea behind this book commenced in 2013 with the general increase in litigation as tax authorities in a number of jurisdictions took a more aggressive approach to the collection of tax, in response, no doubt, to political pressure to address tax avoidance. In the United Kingdom alone we have seen the tax authority vested with broad new powers not only of disclosure but even to require tax to be paid in advance of any determination by a court that it is due. The provisions empower the revenue authority, an administrative body, to compel payment of a sum, the subject of a genuine dispute, without any form of judicial control or appeal.

Over the past year, the focus on perceived cross-border abuses has continued with, for example, European Commission decisions against past tax rulings in Ireland and the United Kingdom, and the BEPS Project continuing to mould a more aggressive approach to tax legislation and powers. The general targeting of cross-border tax avoidance now has European legislation behind it with the passage last year of the second Anti-Tax Avoidance Directive. The absence of much previous European legislation in direct tax has always been put down to the need for unanimity and the way in which Member States closely guard their taxing rights. The relatively speedy passage of this legislation (the Parent–Subsidiary Directive before it took some 10 years to pass) and its restriction of attractive tax regimes indicates the general political disrepute with which such practices are now viewed.

These are, perhaps, extreme examples, reflective of the parliamentary cycle, yet a general toughening of stance seems to be felt. In that light, this book provides an overview of each jurisdiction's anti-avoidance rules and any alternative mechanisms for resolving tax disputes, such as mediation, arbitration or restitution claims.

We have attempted to give readers a flavour of the tax litigation landscape in each jurisdiction. The authors have looked to the future and have summarised the policies and approaches of the revenue authorities regarding contentious matters, addressing important questions such as how long cases take and situations in which some form of settlement might be available.

We have been lucky to obtain contributions from the leading tax litigation practitioners in their jurisdictions. Many of the authors are members of the EU Tax Group, a collection of independent law firms, of which we are a member, involved particularly in challenges to the compatibility of national tax laws with EU and EEA rights. We hope that you will find this book informative and useful.

Finally, I would like to acknowledge the hard work of my colleague Megan Durnford in the editing and compilation of this book.

Simon Whitehead

Joseph Hage Aaronson LLP

London

February 2020

MEXICO

Luis Vázquez¹

I INTRODUCTION

Federal taxes include corporate income tax, individual income tax (which includes salary income and income from gifts and bequests), value added tax and excise tax. Federal duties also exist and apply mainly to authorisations or concessions granted by the federal government (e.g., telecommunications and mining). States also impose their own taxes, mainly property tax, transfer of property tax, hospitality tax and payroll tax on the employer.²

Federal tax disputes are triggered by both tax inspections and tax refund denials. Most inspections are focused on corporate income tax and value added tax, while specific industries are subject to excise tax and duty inspections (e.g., the soft-drink and mining industries, respectively).

The litigation process in Mexico is evidence-focused and very formalistic. Tax rulings issued by the Mexican federal tax authority cannot be challenged before the courts, because taxpayers are not bound by the ruling, whereas the tax authority is bound if it is favourable to the taxpayer. Therefore, taxpayers seldom request tax rulings.

The regular length of an inspection is 18 months, but in transfer pricing cases, the term is two years. In some cases, the term may be extended for a total of 30 months, particularly when the Mexican tax authority requests information from another jurisdiction, which occasionally occurs in transfer pricing cases.

A standard process of a tax refund should last 60 business days approximately, and would include two information requests by the tax authority. However, the tax authority, at its discretion and at any time during the initial 60 business days, may order an inspection with a limited scope relating to the refund application. This inspection lasts an additional 90 business days and can be extended for another 90 business days.³ The tax authority's head offices (i.e., those that handle cases relating to major taxpayers) usually follow the standard refund process, while the field offices (which handle regular taxpayers and newly created entities that have not met the criteria to become major taxpayers) initiate inspections regularly on all refund applications.

Tax-related court proceedings last approximately three years, including both the first instance proceedings and an appeal. Both tax assessments and refund denials follow the same court proceedings.

1 Luis Vázquez is a partner at Creel, García-Cuéllar, Aiza y Enríquez, SC.

2 Each of the 32 states in Mexico has its own tax-related proceedings. These are inspired by the Federal Tax Code and, thus, follow the same format. This chapter only relates to federal taxes; therefore, the 32 particular tax disputes proceedings are not covered in this chapter.

3 A refund that is subject to an inspection may last up to a year.

II COMMENCING DISPUTES

The federal tax authority can exercise its inspection powers at its discretion. The tax authority has in place risk analyses that determine the need for an inspection, although exceptionally a tax official can order a tax inspection if he or she considers it necessary.

A federal tax inspection can take several forms; the most common are an inspection at the taxpayer's domicile, a written review or an electronic review. The tax authority's head office performs a written review, while the field offices perform inspections at the taxpayer's domicile. Electronic reviews are used almost exclusively when an issue has been identified and the tax authority considers that a tax deficiency clearly exists and the inspection is simply a formality.

Reaching a settlement directly with the tax authority in the case of a dispute is not explicitly regulated, although no prohibition exists and thus, settlements are in fact reached when an inspection is being performed. Before a tax assessment is determined, taxpayers can opt to begin a settlement agreement procedure before the Federal Taxpayers' Advocate (PRODECON). PRODECON serves as a mediator⁴ and the process allows taxpayers to totally or partially settle the case, as well as to submit evidence that was not submitted during the inspection proceedings. Tax refunds cannot be settled, and thus, a refund is either totally or partially granted or not at all based on the tax authority's findings.

A taxpayer can challenge a tax assessment or a total or partial refund denial through either an administrative appeal or an annulment claim, both of which are described in the following section.

III THE COURTS AND TRIBUNALS

i Tax authority's legal department

Taxpayers have the option of filing before the tax authority a written administrative appeal within a 30-business-day term as of the date the tax assessment or refund denial is notified. The administrative appeal is filed electronically, as well as the evidence.

Although the Tax Code provides that refund applications can be considered as constructively denied after three months, such a constructive ruling can be challenged through an annulment claim but not an administrative appeal.

The legal departments of the tax authority handle the administrative appeals. The head office in Mexico City has a legal department that handles cases involving major taxpayers, while each field office has a legal department that handles that field office's cases.

The legal departments are partial to what their colleagues decided in the respective tax assessment or refund denial and, in fact, rely on their colleagues when reviewing new additional evidence submitted in an administrative appeal.

The legal department of the head office has much more technical expertise than the field offices' legal departments. The latter rely much more on formalities and are not as experienced in complex cross-border cases.

Notwithstanding the above-mentioned drawbacks of the administrative appeal, taxpayers do file such appeals for two reasons. The first one is that taxpayers can submit

⁴ Although the PRODECON mandate and main functions are to provide assistance to taxpayers and protect their rights, in the specific case of settlements, the PRODECON acts as an unbiased mediator between the taxpayer and the tax authority.

additional evidence in the administrative appeal than that submitted during the inspection or refund process. In this regard, the Supreme Court of Justice issued case law where it stated that taxpayers are barred from offering evidence before the courts when such evidence has not been submitted during the inspection procedure, refund process or in the administrative appeal. Thus, in some instances, filing an administrative appeal is necessary, even if an unfavourable outcome is expected, when the relevant evidence has not been timely submitted during the inspection or refund process.

The second reason for filing an appeal is to keep negotiations open with the tax authority, given that once a case is before the courts, settlement can no longer be achieved. Thus, an administrative appeal keeps the channel of communication open to reach an amicable solution to the dispute.

While a tax assessment is challenged in an administrative appeal, taxpayers are exempt from providing security for the amount of the assessment. Providing security may be costly and thus, obtaining a partially favourable ruling at the administrative appeal may reduce the overall cost of litigation, as the cost of security would also be reduced.

The Federal Tax Code provides that in the event of a favourable ruling in an administrative appeal, the tax authority must comply within the next four months after the ruling becomes final. If a ruling is partially favourable and the taxpayer challenges it, the ruling's consequences are suspended, as it has not become final. Thus, in the case of an administrative appeal ruling relating to a partial refund, the tax authority will not refund a partial refund based on the administrative appeal ruling if it has been challenged before the courts.

In the event of a partial or total unfavourable ruling, taxpayers are entitled to file an annulment claim before the Federal Administrative Court within a 30-business-day term as of the date the resolution of the administrative appeal is notified. Although taxpayers have 30 days to file an annulment claim, taxpayers only have 10 business days to offer security in connection with the tax deficiency after the administrative appeal is decided.

The tax authority has, in principle, three months to rule on the appeal following the filing of additional evidence. If no ruling is issued by then, a taxpayer can challenge a constructive ruling of the appeal before the Administrative Court. Such ruling is considered to have constructively affirmed the tax assessment or refund denial. If a taxpayer challenges the constructive ruling affirming a tax assessment, it is required to offer security.

In 2017, a new form of administrative appeal was introduced in the Federal Tax Code, which is called appeal on substance. The most relevant aspect of the administrative appeal on substance is that it allows taxpayers to challenge a ruling arguing that it is illegal because it is based on the taxpayer's failure to meet an unreasonable formality, to the extent that the taxpayer did not underpay taxes. In other words, the appeal on substance does away with an excessive formality and can rule an assessment as illegal, if, had such a formality not existed, no tax deficiency would exist.

The downside of the administrative appeal on substance is that taxpayers are barred from making procedural arguments (e.g., tax authority's failure to meet the inspection proceeding's deadlines or similar arguments). Thus, the administrative appeal on substance is a trade-off between waiving procedural arguments and gaining the possibility of arguing the illegality of the ruling based on an excessive formality.

As a requisite, the administrative appeal on substance is only available when the challenged ruling is the result of inspection powers. There is still some debate about whether a refund denial that results from a refund procedure where an inspection was performed can be the object of an administrative appeal on substance.⁵

ii Administrative Court

Taxpayers can challenge a tax assessment or a refund denial by filing an annulment claim before the Federal Administrative Court within a 30-business-day term as of the date the ruling is notified to the taxpayer, or in the case of constructive refund denials, taxpayers can challenge such constructive ruling after the three-month term has elapsed without notification of an explicit ruling. Taxpayers can also challenge through an annulment claim an administrative appeal ruling, when the taxpayer elected to challenge the tax assessment or refund denial through such an appeal.

The Federal Administrative Court handles the annulment claims. The court is divided into chambers. Each chamber has regional jurisdiction or nationwide subject-matter jurisdiction (e.g., trial on substance chamber and online trial chamber). Each chamber has three magistrates.

The Superior Chamber of the Administrative Court handles the cases that relate to high amounts or where the interpretation of international treaties is required. The general perception regarding the Superior Chamber and the Administrative Court regional chambers is that they are somewhat biased in favour of the tax authority. The chamber in charge of the Trial on Substance is considered as the most technical and unbiased.

The proceedings before the Administrative Court last approximately 18 months, with the exception of the trial on substance chamber, which may last 10 months. Once an Administrative Court's decision becomes final, the tax authority has four months to comply with the decision (e.g., carry out the refund).

In contrast to the administrative appeal, taxpayers must offer security when challenging before the Administrative Court a tax assessment or the ruling of an administrative appeal upholding a tax assessment. The means to offer security are:

- a* cash deposit;
- b* security interest or mortgage;
- c* surety bond granted by an authorised institution;
- d* joint and several liability assumed by a third party;
- e* administrative-law attachment; and
- f* securities or loan portfolios.

The most common means of security is a surety bond, which has an annual premium of approximately 2 to 3 per cent of the secured amount.

When a constructive ruling is challenged, either resulting from an administrative appeal or a refund application, the tax authority is required to provide the legal grounds and rationale for the ruling in the response to the claim. The taxpayer can then challenge such grounds and rationale in an amended claim filed before the Administrative Court.

The general manner in which an annulment claim is processed is in writing without any formal hearings. Alternatively, taxpayers can elect to file an annulment claim electronically

⁵ The tax authority holds that refund denials resulting where the tax authority exercised its inspection powers cannot be challenged through an appeal on substance. The courts have yet to rule on this definitively.

where all proceedings are done online. The online version of a trial before the Administrative Court follows the same rules and stages as a regular trial. The online version of the trial can only be heard by a specific chamber of the Administrative Court, which is located in Mexico City. This allows taxpayers to forum shop in a certain sense by filing an electronic annulment claim which, if it had been filed in a traditional manner, would have been handled by another chamber with jurisdiction in another region of Mexico.

In 2017, a new modality of annulment claim was introduced: the trial on substance. As in the case of the administrative appeal on substance, taxpayers can elect this modality. The most relevant aspect of the trial on substance is that it allows taxpayers to challenge a ruling arguing that it is illegal because it is based on the taxpayer's failure to meet an unreasonable formality, to the extent that the taxpayer did not underpay taxes. In other words, the trial on substance does away with an excessive formality and can rule an assessment as illegal, if, had such a formality not existed, no tax deficiency would exist.

The downside of the trial on substance is that taxpayers are barred from making procedural arguments (e.g., the tax authority's failure to meet the inspection proceeding's deadlines or similar arguments). Thus, the administrative appeal on substance is a trade-off between waiving procedural arguments and gaining the possibility of arguing the illegality of the ruling based on an excessive formality.

As a requisite, the trial on substance is only available when the challenged ruling is the result of inspection powers and the amount in controversy has to exceed approximately US\$175,000. There is still some debate about whether a refund denial that results from a refund procedure where an inspection was performed can be the object of a trial on substance. The First and Second Sections of the Superior Chamber have held contradicting decisions in connection with this issue. Additionally, constructive rulings cannot be the object of a trial on substance.

An additional benefit of the trial on substance is it relieves the taxpayer from the obligation to offer security during the trial. There is some debate about whether this benefit extends to the time after the trial on substance has been decided and while the constitutional claim and, particularly, the tax authority's appeal are processed.

In contrast to a traditional trial, the trial on substance has specific hearings that deal with determining the issues in controversy, the expert witness testimony and summation.

Against a favourable or unfavourable resolution, the tax authority or the taxpayers may, respectively, file an appeal or a constitutional claim (*amparo*) before a collegiate court within a 15-business-day term as of the date the decision is notified. Both the tax authority and the taxpayers can file an appeal on the incorrect grounds of the decision on law and fact.

iii Collegiate courts

The constitutional claim has two purposes. The first is, from a practical standpoint, to act as an appeal and thus, review the Administrative Court's decision from a legality standpoint (i.e., review of both law and fact). The second is to allow taxpayers to challenge the constitutionality of provisions applied either by the tax authority in the ruling challenged in the annulment claim or by the Administrative Court when deciding the case. Taxpayers must file the constitutional claim within a 15-business-day term as of the date the decision is notified before the Administrative Court, which remits the case to a collegiate court.

The tax authority is also entitled to file an appeal challenging the Federal Administrative Court within a 15-business-day term as of the date the decision is notified, and the appeal is

also decided by a collegiate court. The tax authority's appeal must meet certain criteria and, although this was intended to restrict the tax authority's ability to appeal, courts have more recently been lax when determining whether the criteria are met.

Additionally, taxpayers can submit an ancillary appeal once the tax authority's appeal has been admitted by a collegiate court. This ancillary appeal allows taxpayers to rebuke the tax authority's appeal and strengthen a favourable decision or the favourable portion of the decision.

Both the constitutional claim and the tax authority's appeal are decided jointly by the same collegiate court. Collegiate courts are composed of three magistrates and their decision is usually issued within approximately six months of the constitutional claim or the appeal being filed. The collegiate courts are generally considered to be unbiased and more technical than the Administrative Court; however, some specific exceptions exist.

iv Supreme Court of Justice

The Collegiate Court's decision on the constitutional claim can be challenged by the parties through an extraordinary appeal within a 10-business-day term. This extraordinary appeal can only refer to constitutional issues and is decided by the Supreme Court of Justice. As its name suggests, this appeal must relate to transcendent and important legal aspects in order to be admitted.

The Supreme Court of Justice has 11 judges, one of whom acts as president. The Supreme Court is divided into two Chambers, where the Second Chamber has jurisdiction over tax issues. Each chamber is composed of five judges, excluding the president.

In recent years, the Supreme Court's analysis has become more restrictive on when an extraordinary appeal can be filed. The general perception is that the Supreme Court is biased in favour of the tax authority. Furthermore, the case law issued by the Supreme Court relating to the analysis of unconstitutionality makes a distinction for tax-related matters, allowing Congress more leeway on tax-related legislative acts.

IV PENALTIES AND REMEDIES

The Tax Code provides that taxes that are not paid in a timely manner must be updated for inflation (approximately 6 per cent annually) and a late-payment interest will accrue (1.47 per cent monthly). The late-payment interest is capped at five years (i.e., 88.20 per cent plus inflation).

Additionally, penalties apply that range from 55 to 75 per cent of the original unpaid tax and when aggravating circumstances exist, an additional 20 to 90 per cent may apply. In practice, however, the tax authority rarely applies a rate higher than the minimum of 55 per cent when issuing an assessment. Furthermore, taxpayers will not be subject to penalties if the taxpayer self-assesses without being subject to an inspection. Also, while under an inspection, a taxpayer can be eligible for a reduced penalty of 20 or 30 per cent instead of the minimum of 55 per cent.

In the case of overreporting tax losses, the tax authority can impose a penalty of 30 per cent of the overreported loss to the extent that the loss has been partially or totally utilised. If the taxpayer did not utilise the overreported tax loss and the amount is corrected by the taxpayer, no penalty will apply.

In the case of refunds, a taxpayer can be subject to a penalty of 40 per cent of the improperly paid refund. The improperly refunded amount is also subject to late-payment interest.

The Tax Code further provides that taxpayers can ask for the remittance of the penalties, to the extent that the taxpayer pays the tax assessment. Additionally, taxpayers can also ask for a reduction of the late-payment interest monthly rate to 0.98 per cent, which is subject to several requisites. The Federal Tax Code grants taxpayers the possibility to pay tax deficiencies in instalments but subject to interest that ranges from 0.98 per cent to 1.47 per cent, depending on the financing period.

When entering into its first settlement agreement before PRODECON, the taxpayer is statutorily entitled to the remittance of the penalties without any further requisites.

In the case of refunds improperly denied, the taxpayer is entitled to adjust the amount for inflation and late-payment interest using the same monthly rate of 1.47 per cent. The same rate applies to tax assessments that are paid by the taxpayer and are ultimately reversed by the courts.

V COSTS

Aside from attorney fees, the most relevant cost of litigation is offering security. The most common means of security is a surety bond, which has an annual premium of approximately 2 to 3 per cent of the secured amount.

VI ALTERNATIVE DISPUTE RESOLUTION

i Taxpayers' advocate

PRODECON is a government agency independent from the tax authority. Although its main functions relate to providing assistance to taxpayers, in the case of federal tax inspections, the PRODECON can act as a neutral mediator in a settlement agreement.

A taxpayer can file a settlement procedure request at any time during the inspection to the extent that the tax authority has expressed its position, and no assessment has been issued. The settlement procedure request can refer to a single item under inspection or the entirety of the items being questioned in the inspection.

The settlement procedure is flexible and the main purpose is to facilitate an agreement between the taxpayer and the tax authority. It has no time limits, although in practice it is usually limited to 12 months.

The settlement procedure suspends the term of the tax authority to conclude the inspection and issue an assessment. The suspension applies to the entirety of the inspection regardless of the fact that the request relates to a single item or several items. Thus, it allows the taxpayer to provide evidence during the procedure and negotiate the terms of a settlement agreement while the inspection is suspended.

The tax authority is not required to accept submitting a case to the settlement procedure, but usually does. Also, the tax authority can decide to exit the settlement procedure at any time, but doing so would have to be justified.

Considering the perceived bias of the Administrative Court and the Supreme Court, taxpayers have embraced the settlement procedure as a means to avoid litigation. Thus, the public perception of the PRODECON is extremely favourable.

ii Mutual agreement procedure

The mutual agreement procedure (MAP) provided in double taxation treaties is another alternative dispute resolution available in Mexico.

The MAP takes two years approximately. Although initiated by the taxpayer, the tax authorities of each country are the involved parties.

The MAP is based on a 'best-efforts' principle and thus, the tax authority of each country is not required to reach an agreement. This reduces the effectiveness of the MAP and as a result, taxpayers have shied away from using it.

While a MAP is under way, the administrative appeal and the term to challenge a tax assessment are suspended.

iii Arbitration

Mexico has not included arbitration clauses in its double taxation treaties. Furthermore, Mexico has not opted for arbitration as part of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI).

VII ANTI-AVOIDANCE

Mexico's tax system includes certain special anti-avoidance rules, such as thin capitalisation rules, back-to-back rules, controlled foreign corporation rules and hybrid mismatches. Mexican Congress recently approved an amendment to the Tax Code that includes a general anti-avoidance rule (GAAR), which entered into force in 2020.

The GAAR is based on a bright-line test to allow the tax authority to consider that a transaction or series of transactions lack business purpose and thus, should be re-characterised. The test consists of comparing the economic benefit to the tax benefit of a given transaction or series of transactions. If the tax benefit is greater, the tax authority can presume that the transaction lacks business purpose and was tax-driven and thus, re-characterise it. To determine the economic benefit, the tax authority must determine the reasonable financial benefit using contemporaneous information. The economic benefit may include savings, increase in market share or increase the value of assets.

If, during an inspection, a tax official considers that a transaction may justify the use of the GAAR, they must ask a committee for authorisation. The request to the committee can extend the inspection for two additional months. If the committee approves, the tax authority must inform the taxpayer of its intent to use the GAAR. Taxpayers are allowed to submit evidence during the inspection to argue against the use of the GAAR or to justify the existence of business purpose.

The statute is silent on whether the GAAR will be used to analyse transactions retrospectively, although tax practitioners expect the tax authority to do so.

VIII DOUBLE TAXATION TREATIES

Currently, Mexico has signed double taxation treaties with 59 countries. Of these 59 treaties, only 54 of these countries have signed the MLI. To date, the Mexican Senate has yet to approve the MLI, although it is expected to do so. Under the MLI, Mexico opted for the principal purpose test as a means to meet the minimum standard.

IX AREAS OF FOCUS

i Tax refunds

The tax authority's field offices have, as a matter of course, made value added tax refund processes extremely problematic. The amount of information requested and length of the process (in excess of a year) has affected the liquidity of certain taxpayers.

ii Non-existent transactions

The Tax Code provides a procedure to allow the tax authority to determine that a taxpayer does not have the necessary assets, employees or infrastructure to provide the services it has invoiced. The conclusion to such procedure is published in the Official Gazette, which contains a list of all taxpayers who are considered to have provided non-existent services or transactions.

An unfavourable conclusion to such a procedure results in stripping the particular taxpayer's invoices of any validity. Thus, the taxpayer's clients can neither deduct the services reflected in those invoices nor claim a credit for the corresponding value added tax. This effect is not only prospective, but retrospective as well; therefore, taxpayers must continuously check if former and current service providers are named in the public list.

Although the tax authority's conclusion can be challenged, in the meantime the tax authority will informally request the taxpayer's clients to file amended returns to revert the deduction and value added tax credit and settle the corresponding tax liability. If a taxpayer does not comply, it is likely for the tax authority to order a formal inspection, particularly if the invoiced amount is relevant.

iii Improper transfer of tax losses

The Federal Tax Code grants the power to the tax authority to have the possibility to presume that the transfer of tax losses is improper where certain criteria are met (mainly that the entity with the tax loss is no longer part of the same corporate group). Where the transfer of tax losses is presumed as improper, the tax losses can no longer be utilised.

X OUTLOOK AND CONCLUSIONS

When dealing with a tax dispute in Mexico, retaining counsel early is paramount to improve the chances of a favourable conclusion. Given the formalistic nature of the system, unattended or partially attended inspections or refunds can have disastrous results.

The perceived bias in the Administrative Court complicates things further. Properly advised taxpayers will likely seek a settlement directly with the tax authority or through a settlement procedure before PRODECON to avoid litigation or only take to litigation those items with solid grounds.

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Luis Vázquez is a partner in the Mexico City office. Mr Vázquez's practice focuses on tax, in particular, tax controversy and tax litigation. He regularly advises and represents large multinationals and banks before the Mexican tax authority on tax inspections and refund applications relating to financial transactions and tax treaty benefits. Most notably, Mr Vázquez has assisted several Mexican financial institutions on tax inspections relating to the tax treatment of financial derivatives, including the restructuring of their derivative portfolio. Mr Vázquez is a member of the International Fiscal Association (IFA) and of the Mexican Bar Association, where he currently chairs the tax committee. He has been a professor of taxation at his *alma mater*, Universidad Iberoamericana, in both undergraduate and graduate programmes. He has written articles on international taxation in several specialised publications and co-authored the chapter of a book on tax transparency on tax treaties edited by the Mexico Chapter of the IFA. Mr Vázquez became partner of Creel, García-Cuellar, Aiza y Enríquez, SC in 2017. He has over 16 years of experience in the field of taxation, including working at the Madrid office of Cuatrecasas, Goncalvez Pereira for a period of six months. Mr Vázquez was born in Mexico City, Mexico. He received his law degree (JD) from Universidad Iberoamericana and obtained his LLM degree in taxation from Georgetown University Law Center. He is fluent in Spanish and English.

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