

Congress finishes the approval process of the 2024 Revenue Law

- On Friday, October 20th, the Lower House finalized its part in the approval process of the 2024 Revenue Law. Yesterday, the Senate fulfilled its part
- In addition to the Revenue Law, we should recall that votes on modifications to the tax code and the Federal Rights Law are made in this step, which are also fundamental for Federal Government income
- The Lower House proposed and approved some [changes to the MoF's original initiative](#). Despite of this, total revenues –including financing – were unchanged at \$9,066.0 billion
- Macroeconomic forecasts were not modified. We highlight a range for GDP growth between 2.5% to 3.5%, the Mexican oil mix price at US\$/bbl 56.7, and the average exchange rate at USD/MXN 17.1
- Five changes (relative to the original proposal) were approved in the Federal Rights Law, highlighting:
 - A [9% tax rate for airport concessionaires](#) based on the sum of gross income from airport operations, complementary and commercial services
 - Revenues from providing the service of “*issuance of the condition of stay for visitors without permission to carry out remunerated activities, and who enter the country for tourism purposes*”, will be destined to the Mayan Train trust fund
 - Other changes in cultural (entrance fees to archeological sites) and educational matters (fees for the processing of degrees and professional licenses), as well as customs services (fees for imported and exported goods)
- The tax code remains the same as the one approved for 2023, implying no new taxes, or rate increases, relative to the current framework
- Within the Revenue Law, three adjustments were approved relative to the proposal, being:
 - A reduction in the prepaid tax rate for real investment returns in debt instruments, standing at 0.50% vs the original proposal of 1.48% (2023: 0.15%)
 - The oil royalty (DUC) is reduced to 30%, with the proposal setting it at 35% (2023: 40%)
 - That the transfer of assets, rights, and obligations carried out by state-owned companies to reorganize their subsidiaries and affiliates does not constitute a sale for tax purposes
- With this, the proposal is turned to the Executive branch for its final approval. Hence, all eyes will now turn to the discussion on the Spending Budget in the Lower House, which has until November 15th to authorize it
- An additional point to highlight is that Congress approved changes to the Fiscal Responsibility Law. These are aimed at facilitating the capitalization of the Stabilization Fund (FEIP) with financial assets. Rodrigo Mariscal –MoF's Chief Economist– stated that the assets considered are only those owned by the federal government, excluding those held by autonomous entities

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Deadlines for the 2024 Budget

Date	Documents	
Sep-8	Delivery of the 2024 Budget Proposal	✓
Oct-20	Lower House approval of the Revenue Law	✓
Oct-31	Senate approval of the Revenue Law	✓
Nov-15	Lower House approval of the Spending Budget	

Source: GEPC 2024, MoF



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