



Since May 20th, 2021, individuals earning an income equal to or greater than 300 million pesos per year, either as partners or shareholders of Large Taxpayers or being owners of assets equal to or greater than 300 million pesos, will be subject to the powers of the General Administration of Large Taxpayers and its administrative units, pursuant to the delegation of powers published on May 19th, 2021.¹

The General Administration of Large Taxpayers will be competent on those taxpayers until the tax year subsequent to the one in which they cease to meet such cases. Likewise, when the General Administration of Large Taxpayers commences its verification powers with respect to the aforementioned taxpayers, the latter will continue to be subject to its jurisdiction for the tax years reviewed.

The foregoing does not represent new tax obligations, but it implies that such individuals may be audited in accordance with the "Master Plan of Operation" of the General Administration of Large Taxpayers. The purpose of this plan is to increase collection of taxes from that sector.

It should be noted that in 2020, the Tax Administration Office (SAT) managed to obtain a historic tax collection from Large Taxpayers. It managed to obtain a total of 215 thousand 659 million pesos with respect to 95 thousand 816 million pesos in 2019. This represents more than twice as much as in 2019.

If you are an individual earning equal to or greater than 300 million on a yearly basis, and requires advice on how to deal with the powers recently granted to the General Administration of Large Taxpayers, please feel free to contact us: gerardoperez@allestrategias.com.

Mexico City, on May 19th, 2021.

¹ RESOLUTION granting powers to public officers of the Tax Administration Service published in the Federal Official Gazette on May 19th, 2021, available at: <https://bit.ly/3hEJlwa>