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NEWS

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EXECUTIVE DECREE

Increase of the Value Added Tax

Through **Executive Decree No. 198** of March 15, 2024 the Constitutional President **modified the general rate of the Value Added Tax (VAT) for the year 2024.**

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The Constitutional President, in exercise of his powers, has **issued Executive Decree No. 198**, which aims to **modify the general rate of the Value Added Tax (VAT) from 13% to 15% for the year 2024.** This measure is based on the evaluation of the conditions of public finances and the balance of payments, with the **purpose of ensuring revenues that contribute to fiscal stability, particularly in the context of the internal armed conflict faced by the country.**

In addition to establishing the new rate, the decree **sets the implementation date of this adjustment on April 1, 2024** and orders the follow-up and evaluation of the collection impact resulting from this measure.

Once published in the Official Gazette, the decree will become fully effective, thus consolidating the provisions established to strengthen the financial situation of the State.



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At **Balta Ecuador**, our mission is to provide the highest quality legal and tax consulting services to help our clients achieve success in a complex and constantly evolving business environment.

As experts in the field, we understand that **legislative changes and regulations** can generate doubts and concerns. So we are committed to being your trusted partner and providing clear and accurate answers to all your questions. **Our team of highly trained professionals** is here to guide you through any legal or tax challenges you may face.

If you have any questions, concerns or would like to take advantage of our services, please do not hesitate to contact us. We are eager to listen to your inquiry and offer solutions tailored to your business needs.



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