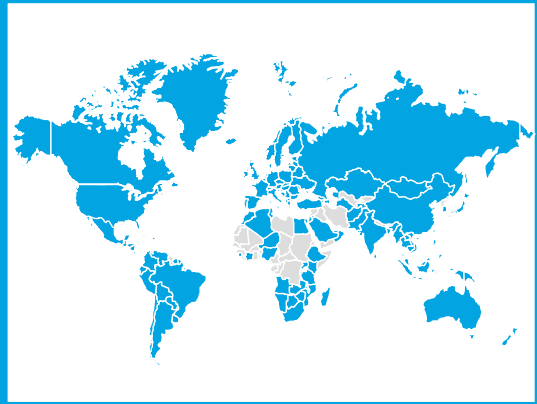


EXPATRIATES

Ecuador

Tax facts for international assignees



INCOME TAX: WHO IS LIABLE

Natural persons that are considered as a tax residents in Ecuador. Ecuadorian tax residents, are individuals who are in any of the following considerations:

- The individual's stay in the country for one hundred and eighty-three (183) calendar days or more, consecutive or not, within any given fiscal period.
- The individual's stay in the country for one hundred and eighty-three (183) calendar days or more, consecutive or not, within a period of twelve months within two fiscal periods.
- The core of the individual's activities or economic interests lies in Ecuador, either directly or indirectly.
- The individual has not remained in another country or jurisdiction for over one hundred eighty-three (183) calendar days, consecutive or not, within any given fiscal year and the individual's close family ties are in Ecuador.

Income earned by non-resident individuals from occasional services performed by them in Ecuador, paid for by any taxpayer domiciled in Ecuador are subject to 25% of withholding of income tax.

For non-residents their income is not considered income from Ecuadorian source when said income is generated by occasional services performed by them in Ecuador, when their compensation or fees are paid for from abroad by foreign companies non-related to companies incorporated, domiciled or with a permanent establishment in Ecuador.

BREAKING RESIDENCY - EXIT PROCEDURES

In the event of termination of activities before the end of a fiscal year, taxpayers must file an anticipated income tax return of his/her taxes. Once this return is filed the cancellation procedure to his/her registration in the tax identification (Single Register of Taxpayers) will follow.

INCOME TAX RATES

2020 - In US Dollars			
Base fraction	Excess up to	Tax on Base Fraction	Tax on Excess Fraction
0	11.315	0	0%
11.315	14.416	0	5%
14.416	18.018	155	10%
18.018	21.639	515	12%
21.639	43.268	950	15%
43.268	64.887	4.194	20%
64.887	86.516	8.518	25%
86.516	115.338	13.925	30%
115.338	Onwards	22.572	35%

SOCIAL TAX RATES

	Tax rate
Employee	9.45%
Employer	12.15%
Legal representatives	17,60%

For further information and to register for future updates contact expat@bdo.global

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