

EXPATRIATES

Guatemala

Tax facts for international assignees



INCOME TAX: WHO IS LIABLE

Employers are responsible for withholding and remitting income taxes for employees residing in Guatemala.

Any employer who pays, or credits payments of any kind, for services performed by an employee, whether temporary or permanent, must withhold income tax from the employees.

Similar obligations must be accomplished by public employees and officials who are responsible for the payment of salaries and other compensations for services rendered to state agencies, decentralized, autonomous entities, municipalities and businesses.

BREAKING RESIDENCY - EXIT PROCEDURES

The following steps should be taken when terminating residency in Guatemala:

- Inform the Guatemalan Immigration that the individual is leaving the country;
- Present a dismissal of the work permit before the Ministry of Labor;
- The employer should prepare the final calculation of withholding tax for the employees, make the retention payment; submit and pay to the tax authorities;
- It is recommended that the expatriates also deactivate their tax identification number with the Superintendence of Tax Administration.

INCOME TAX RATES

Tax rate	Fixed tax	Range of taxable income
5% on taxable Income	Q0.00	Q0.01 to Q300,000.00
7% on the excess of Q300,000.00	Q15,000.00	Q300,000.00 onwards

SOCIAL TAX RATES

Social security	Social tax rate
Labor share	4.83%
Employer's contribution	12.67%

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

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