

Mexico Dispute Resolution Profile

(Last updated: 6 September 2022)

General Information

- Mexican tax treaties are available at:

<https://www.sat.gob.mx/normatividad/98105/tratados-en-materia-fiscal-y-cuestiones-relacionadastratados-en-materia-fiscal-y-cuestiones-relacionadas>

- MAP and APA request should be made to:

Scope: For large taxpayers and taxpayers in the upstream, midstream or downstream Oil & Gas industry (MAP & MAP APA)

Mr. Antonio Martínez Dagnino, General Administrator for Large Taxpayers (*i.e.* Head of the Large Business & International Division)
Av. Hidalgo 77, Módulo III, Piso 1, Col. Guerrero, Alcaldía Cuauhtémoc, Ciudad de México, 06300

Scope: For large taxpayers, not dealing or related to upstream, midstream or downstream Oil & Gas industry (MAP)

Central Administration for Legal Support and International Tax Legal Affairs
Av. Hidalgo 77, Módulo III, Planta Baja, Col. Guerrero, Alcaldía Cuauhtémoc, Ciudad de México, 06300
t. +52 (55) 5802 2082 / mapsmexico@sat.gob.mx

Scope: For large taxpayers, not dealing or related to upstream, midstream or downstream Oil & Gas industry (MAP APA)

Mr. Carlos Eduardo González Gamero, Central Administrator for Transfer Pricing Audits
Av. Hidalgo 77, Módulo III, Piso 1, Col. Guerrero, Alcaldía Cuauhtémoc, Ciudad de México, 06300
t. +52 (55) 5802 2384, 5802 0000 ext. 42384 / carlos.gamero@sat.gob.mx / acfpt@sat.gob.mx

Scope: For taxpayers in the upstream, midstream or downstream Oil & Gas industry (MAP & MAP APA)

Central Administration for Tax and Legal Affairs (Hydrocarbons)
Calle Valerio Trujano 15, Módulo VIII, Planta Baja, Col. Guerrero, Alcaldía Cuauhtémoc, Ciudad de México, 06300
t. +52 (55) 5802 0000 ext. 42488 / mapsmexico@sat.gob.mx

Mexico Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
A. Preventing Disputes				
1.	Are agreements reached by your competent authority to resolve difficulties or doubts arising as to the interpretation or application of your tax treaties in relation to issues of a general nature which concern, or which may concern, a category of taxpayers published?	Yes	Information is available at SAT's official website.	https://www.sat.gob.mx/normatividad/98105/tratados-en-materia-fiscal-y-cuestiones-relacionadastratados-en-materia-fiscal-y-cuestiones-relacionadas
2.	Are bilateral APA programmes implemented? If yes:	Yes	-	-
a.	• Are roll-back of APAs provided for in the bilateral APA programmes?	Yes	In accordance with Article 34-A, second and third paragraphs of the Federal Fiscal Code: "Rulings issued in accordance with this Article may be valid regarding the fiscal year in which they are requested, the immediately preceding year, and for up to three fiscal years following that in which they are requested. Rulings may be valid regarding a longer period when they stem from a mutual agreement procedure in accordance with an international convention to which Mexico is a party." Years to be covered in a Roll-back are either subject to the terms of the treaty, or the domestic statute of limitations.	Article 34-A, second and third paragraphs of the Federal Fiscal Code can be found in page 80, in the Section "CFF", in the following website: https://www.sat.gob.mx/normatividad/68264/leyes

Mexico Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
b.	<ul style="list-style-type: none"> Are there specific timelines for the filing of an APA request? 	Yes	<p>For MAP APAs the specific timeline depends on the terms of the treaty.</p> <p>For unilateral APAs the specific timeline is in accordance with Article 34-A, second and third paragraphs of the Federal Fiscal Code: <i>“Rulings issued in accordance with this Article may be valid regarding the fiscal year in which they are requested, the immediately preceding year, and for up to three fiscal years following that in which they are requested...”</i>.</p>	<p>https://www.sat.gob.mx/normatividad/98105/tratados-en-materia-fiscal-y-cuestiones-relacionadastratados-en-materia-fiscal-y-cuestiones-relacionadas</p> <p>Article 34-A, second and third paragraphs of the Federal Fiscal Code can be found in page 80, in the Section “CFF”, in the following website:</p> <p>https://www.sat.gob.mx/normatividad/68264/leyes</p>
c.	<ul style="list-style-type: none"> Are rules, guidelines and procedures on how taxpayers can access and use bilateral APAs, including the specific information and documentation that should be submitted in a taxpayer’s request for bilateral APA assistance, publicly available? 	Yes	In accordance with the administrative rule 2.9.8., taxpayers that submit an APA request, should provide the information set forth in form 102/CFF “APA requests” included in Appendix 1-A of the Tax Miscellaneous Regulations.	<p>Administrative rule 2.9.8. of the Tax Miscellaneous Regulations can be found in page 180 in the document “RMF 2022”, in the following website:</p> <p>https://www.sat.gob.mx/normatividad/57558/resolucion-miscelanea-fiscal---rmf</p> <p>The procedure form 102/CFF can be found in page 163, in the Section “Anexo 1-A RMF 2022”, in the following website:</p>

Mexico Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
				https://www.sat.gob.mx/normatividad/57558/resolucion-miscelanea-fiscal---rmf
d.	<ul style="list-style-type: none"> Are there any fees charged to taxpayers for a bilateral APA request? 	Yes	In the case of APA requests, a fee must be paid in accordance to Article 53-G of the Federal Fees Law in force and, for each annual review it must be paid a fee in accordance to Article 53-H of the Federal Fees Law.	Article 53-G and 53-H of the Federal Fees Law, can be found in pages 62 and 63, in the following website: https://www.diputados.gob.mx/LeyesBiblio/pdf/LFD.pdf
e.	<ul style="list-style-type: none"> Are statistics relating to bilateral APAs publicly available? 	No	-	-
3.	Is training provided to your officials involved in the auditing / examination of taxpayers to ensure that any assessments made by them are in accordance with the provisions of your tax treaties?	Yes	-	-
4.	Is other information available on preventing tax treaty-related disputes?	Yes	The Mexican MAP Guidance, points out the information, documentation and processes related to MAP requests, in case that a taxpayer considers that the actions of one or both of the Contracting States result or will result in taxation not in accordance with the applicable Treaty.	The Mexican MAP Guidance, can be found in the document “2019 September Mexican MAP Guidance (English version).pdf”, in the section “Información relativa a procedimientos amistosos”, in the following website: https://www.sat.gob.mx/normatividad/98105/tratados-en-materia-fiscal-y-cuestiones-

Mexico Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
				relacionadastratados-en-materia-fiscal-y-cuestiones-relacionadas

Notes:

1. An APA is an “arrangement that determines, in advance of controlled transactions, an appropriate set of criteria (e.g. method, comparables and appropriate adjustments thereto, critical assumptions as to future events) for the determination of the transfer pricing for those transactions over a fixed period of time”. (see definition of APA in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (“Transfer Pricing Guidelines”).
2. Situations may arise in which the issues resolved through an APA are relevant with respect to previous filed tax years not included within the original scope of the APA. The concept of “roll-back” is further elaborated in paragraph 4.147 of Section F (Advance pricing arrangement) of Chapter IV of the Transfer Pricing Guidelines and in paragraph 69 of Section D.4.2 (Possible retrospective application (“Roll back”)) of the Annex to Chapter IV (Guidelines for Conducting Advance Pricing Arrangements under the Mutual Agreement Procedure (“MAP APAs”)) of the Transfer Pricing Guidelines. Simply put, the “roll-back” of the APA is understood to mean that the outcome of the APA is applied to previous filed tax years not included within the original scope of the APA.

Mexico Dispute Resolution Profile – Availability and Access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
B. Availability and Access to MAP				
5.	Are transfer pricing cases covered within the scope of MAP?	Yes	-	-
6.	Are issues relating to the application of treaty anti-abuse provision covered within the scope of MAP?	Yes	-	-
7.	Are issues relating to the application of domestic anti-abuse provision covered within the scope of MAP?	Yes	Only when taxation is not in accordance with a provision of the Convention.	-
8.	Are issues where there is already an audit settlement between the tax authority and the taxpayer covered within the scope of MAP?	See detailed explanation	In cases where taxpayer voluntarily requests for a statutory dispute settlement, independent from the audit and examination functions, access to the mutual agreement procedure can be limited.	Article 69-H of the Federal Fiscal Code can be found in page 136, in the Section “CFF”, in the following website: https://www.sat.gob.mx/normatividad/68264/leyes
9.	Are double taxation cases resulting from bona fide taxpayer initiated foreign adjustments covered within the scope of MAP?	Yes	Taxpayer has to justify the adjustments.	-
10.	Are there any other treaty related issues not covered under s/n 5 to 9 which are not within the scope of MAP?	No	-	-

Mexico Dispute Resolution Profile – Availability and Access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
11.	Are taxpayers allowed to request MAP assistance in cases where the taxpayer has sought to resolve the issue under dispute via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	Yes	It is allowed providing that the dispute has not already been decided by judicial or administrative remedies provided by the Mexican domestic laws.	Article 125 of the Federal Fiscal Code, can be found in page 188, in the Section “CFF”, in the following website: https://www.sat.gob.mx/nor-matividad/68264/leyes
12.	Are taxpayers allowed to request for MAP assistance in cases where the issue under dispute has already been decided via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	No	It is not allowed under domestic law.	Article 125, of the Federal Fiscal Code can be found in page 188, in the Section “CFF”, in the following website: https://www.sat.gob.mx/nor-matividad/68264/leyes
13.	Are rules, guidelines and procedures on how taxpayers can access and use MAP, including the specific information and documentation that should be submitted in a taxpayer’s request for MAP assistance, publicly available?	Yes	Mexico’s rules, guidelines and procedures on MAP are included in (i) administrative rule 2.1.30. “Mutual Agreement Procedure Request Included in a Double Tax Treaty”, (ii) the procedure form 244/CFF “Mutual Agreement Procedure Request Included in a Double Tax Treaty” included in Appendix 1-A of the Tax Miscellaneous Regulations , and at (iii) the Mexican MAP Guidance.	Administrative rule 2.1.30. of the Tax Miscellaneous Regulations can be found in page 40, in the Section “RMF 2022”, in the following website: https://www.sat.gob.mx/nor-matividad/57558/resolucion-miscelanea-fiscal---rmf The procedure form 244/CFF can be found in page 354, in the Section “Anexo 1-A RMF 2022”, in the following website:

Mexico Dispute Resolution Profile – Availability and Access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
				<p>https://www.sat.gob.mx/normatividad/57558/resolucion-miscelanea-fiscal---rmf</p> <p>The Mexican MAP Guidance, can be found in the document “2019 September Mexican MAP Guidance (English version).pdf”, in the section “Información relativa a procedimientos amistosos”, in the following website:</p> <p>https://www.sat.gob.mx/normatividad/98105/tratados-en-materia-fiscal-y-cuestiones-relacionadastratados-en-materia-fiscal-y-cuestiones-relacionadas</p>
14.	Are there specific timeline for the filing of a MAP request?	Yes	Depending on the time limitation of the relevant Convention, and administrative rule 2.1.44. “Suspension of the term for notifying the request for the initiation of a mutual agreement procedure under the second paragraph of Article 26 of the Agreement between the Government of the United Mexican States and the Government of the United States of America to Avoid Double Taxation and Prevent Tax Evasion in the Matter of Taxes on Income” included in the Tax Miscellaneous Regulations 2022 and form 249/CFF “Suspension request of the deadline for notifying the initiation of a mutual	Administrative rule 2.1.44. of the Tax Miscellaneous Regulations can be found in page 48, in the Section “RMF 2022”, in the following website:

Mexico Dispute Resolution Profile – Availability and Access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			agreement procedure under the terms of the Convention between the Government of the United Mexican States and the Government of the United States of America to Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and its Protocol” included in Appendix 1-A of the Tax Miscellaneous Regulations.	The procedure Form 249/CFF can be found in page 364, in the Section “Anexo 1-A RMF 2022”, in the following website: https://www.sat.gob.mx/nor-matividad/57558/resolucion-miscelanea-fiscal---rmf
15.	Are guidance on multilateral MAPs publicly available?	See detailed explanation	There is no special guidance on multilateral MAPs, since there is no distinction in the current guidance and every MAP request should be processed as provided by administrative rule 2.1.30. “Mutual Agreement Procedure Request Included in a Double Tax Convention” included in the Tax Miscellaneous Regulations 2022, procedure form 244/CFF “Mutual Agreement Procedure Request Included in a Double Tax Convention” included in Appendix 1-A of the Tax Miscellaneous Regulations, the Mexican MAP Guidance, Action 14: 2015 Final Report OECD, and the Manual on Effective Mutual Agreement Procedures (MEMAP), February 2007 Version.	Administrative rule 2.1.30. of the Tax Miscellaneous Regulations can be found in page 40, in the Section “RMF 2022”, in the following website: https://www.sat.gob.mx/nor-matividad/57558/resolucion-miscelanea-fiscal---rmf The procedure form 244/CFF can be found in page 354, in the Section “Anexo 1-A RMF 2022”, in the following website: https://www.sat.gob.mx/nor-matividad/57558/resolucion-miscelanea-fiscal---rmf The Mexican MAP Guidance, can be found in the document

Mexico Dispute Resolution Profile – Availability and Access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
				<p>“2019 September Mexican MAP Guidance (English version).pdf”, in the section “Información relativa a procedimientos amistosos” in the following website:</p> <p>https://www.sat.gob.mx/normatividad/98105/tratados-en-materia-fiscal-y-cuestiones-relacionadastratados-en-materia-fiscal-y-cuestiones-relacionadas</p> <p>Action 14: 2015 Final Report OECD in the following website:</p> <p>http://www.oecd.org/tax/beps/beps-action-14-on-more-effective-dispute-resolution-peer-review-documents.pdf</p> <p>Manual on Effective Mutual Agreement Procedures (MEMAP), February 2007 Version.</p> <p>http://www.oecd.org/tax/dispute/manualoneffectivemutualagreementproceduresmemap.htm</p>

Mexico Dispute Resolution Profile – Availability and Access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
16.	Are tax collection procedures suspended during the period a MAP case is pending?	Yes	When the MAP is requested directly, tax collection procedures are suspended, as provided in article 144, first paragraph of the Federal Fiscal Code as long as the tax liability is guaranteed.	Articles 141, 142 and 144 of the Federal Fiscal Code, can be found in pages 195, 197 and 198, respectively in the Section “CFF”, in the following website: https://www.sat.gob.mx/normatividad/68264/leyes
17.	Are there any fees charged to taxpayers for a MAP request?	See detailed explanation	MAP: None. MAP APA: A fee must be paid in accordance to Article 53-G of the Federal Fees Law in force.	Article 53-G of the Federal Fees Law can be found in page 62, in the following website: https://www.diputados.gob.mx/LeyesBiblio/pdf_mov/Ley_Federal_de_Derechos.pdf
18.	Is there any other information available on availability and access to MAP?	No	-	-

Mexico Dispute Resolution Profile – Resolution of MAP Cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
C. Resolution of MAP Cases				
19.	Are there any model timeframes for the steps taken by your competent authority from the receipt of a MAP case to the resolution of the case provided to taxpayers?	No	-	-
20.	Are statistics relating to the time taken to resolve MAP cases publicly available?	Yes	Information of average time of MAP cases concluded per year is available at OECD official website.	Information is available in the following website: https://www.oecd.org/tax/dispute/mutual-agreement-procedure-statistics.htm
21.	Is interest or penalties resulting from adjustments made pursuant to a MAP agreement waived or dealt with as part of the MAP procedure?	See detailed explanation	MAP: No. MAP APA: a) Surcharges may be totally or partially reduced related to transfer pricing adjustments agreed between competent authorities within reciprocal basis, and such competent authorities have refunded the corresponding tax without interest payment. b) In all cases inflation must be added.	Article 21, tenth paragraph of the Federal Fiscal Code, can be found in page 29, in the Section “CFF”, in the following website: https://www.sat.gob.mx/normatividad/68264/leyes
22.	Are the roles and responsibility of the MAP office publicly available, for example, is the mission statement of the MAP office available in the annual report of the organisation?	Yes	The attributions of the Mexican Competent Authority to deal with MAP cases, are set forth in articles 28, section A., XIV and 30, section A., VIII of the Internal Regulations of the Tax Administration Service.	Articles 28, section A., XIV and 30, section A., VIII of the Internal Regulations of the Tax Administration Service, that can be found in pages 48 and 64, respectively, in the Section

Mexico Dispute Resolution Profile – Resolution of MAP Cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
				"RISAT", in the following website: https://www.sat.gob.mx/normatividad/69203/reglamentos
23.	Is MAP arbitration a mechanism currently available for the resolution of tax treaty related disputes in any of your tax treaties? If not:	See detailed explanation	Mexico has accepted arbitration clauses in some treaties; however, these clauses require the exchange of diplomatic notes in order to come into effect. Since such exchange of notes has not been carried out with any of Mexico's treaty partners, the SAT has not yet resolved any MAP case bilateral/multilateral MAP APA through arbitration.	-
a.	• Are there any legal limitations in your domestic law (for example in your constitution) to include MAP arbitration in your tax treaties?	No	-	-
b.	• Does your treaty policy allow you to include MAP arbitration in your tax treaties?	Yes	We do not have a binding arbitration clause, but in some treaties a voluntary arbitration clause was included.	-
24.	Is the explanation of the relationship between the MAP and domestic law administrative and judicial remedies publicly available? If yes:	Yes	-	Articles 124, 124-A and 125 of the Federal Fiscal Code can be found in pages 187 and 188, in the Section "CFF", in the following website: https://www.sat.gob.mx/normatividad/68264/leyes Articles 8 and 9 of the Federal Law of the Administrative

Mexico Dispute Resolution Profile – Resolution of MAP Cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
				Dispute Procedures can be found in page 3, in the Section “LFPA”, in the following website: https://www.sat.gob.mx/noratividad/68264/leyes
a.	<ul style="list-style-type: none"> Does the guidance specifically address whether the competent authority considers that it is legally bound to follow a domestic court decision in the MAP or will not deviate from a domestic court decision as a matter of administrative policy or practice? 	Yes	-	Articles 124, 124-A and 125 of the Federal Fiscal Code can be found in pages 187 and 188, in the Section “CFF”, in the following website: https://www.sat.gob.mx/noratividad/68264/leyes Articles 8 and 9 of the Federal Law of the Administrative Dispute Procedures can be found in page 3, in the Section “LFPA”, in the following website: https://www.sat.gob.mx/noratividad/68264/leyes
25.	Are taxpayers allowed to request for multi-year resolution through the MAP of recurring issues with respect to filed tax years?	Yes	On a case by case basis.	-
26.	Do all your jurisdiction’s tax treaties contain a provision which would oblige your jurisdiction to make corresponding adjustments or to grant access to the	See detailed explanation	Not all tax treaties contain a provision that obliges the authority to make the corresponding adjustments. Additionally, some treaties contain specific situations	-

Mexico Dispute Resolution Profile – Resolution of MAP Cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
	MAP with respect to the economic double taxation that may otherwise result from a primary transfer pricing adjustment (i.e. is paragraph 2 of Article 9 of the OECD Model Tax Convention or the UN Model Double Taxation Convention included in all of your jurisdiction's tax treaties)?		where the corresponding adjustment cannot be applied, for example in cases of fraud or negligence.	
27.	Is there any other information available on resolution of MAP cases?	No	-	-

Mexico Dispute Resolution Profile – Implementation of MAP Agreements

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
D. Implementation of MAP Agreements				
28.	Where the agreement reached by your competent authority through the MAP process leads to additional tax to be paid by your taxpayer, is there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for the additional tax to be paid?	No	-	-
29.	Where the agreement reached by your competent authority through the MAP process leads to a refund of the tax due or paid by your taxpayer, are there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for a refund of the tax paid?	See detailed explanation	<p>An official letter is issued to the taxpayer to inform the result of a MAP procedure, indicating the timeframe for implementation of the agreement reached, including in such case the timing for filing of amended tax returns.</p> <p>In general, any refund requests are to be resolved within a period of forty days following the date on which the request was submitted with all the appropriate information.</p>	<p>Article 22, seventh paragraph, of the Federal Fiscal Code, that can be found in pages 34 and 35, in the Section “CFF”, in the following website: https://www.sat.gob.mx/normatividad/68264/leyes</p>
30.	Are all mutual agreements reached through MAP implemented notwithstanding any time limits in your domestic law?	Yes	According to the Mexican domestic provisions in force as of January 1st 2020, the statute of limitation cannot limit the implementation of MAP agreements, once reached.	Articles 67 and 146, last paragraphs of the Federal Fiscal Code, can be found in pages 126 and 203 respectively, in the Section “CFF”, in the following website:

Mexico Dispute Resolution Profile – Implementation of MAP Agreements

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
				https://www.sat.gob.mx/normatividad/68264/leyes
31.	Is there any other information available on the implementation of MAP agreements?	No	-	-