



June 4, 2014  
Circular N° SBP-FECI-0066-2014

General Manager

Subject: Amendment of Executive Decree 29 of 1996, which regulates the FECI Law. (Executive Decree 181 of 2014, published in Official Gazette 27524).

Dear General Manager:

We wish to inform you hereby that Executive Decree 181 dated 16 April 2014 amends Executive Decree 29 of 1996, which regulates the FECI System. This Executive Decree became effective on April 30, 2014.

The amendments introduced by the cited Decree refer to some aspects of the application and exemptions of the 1% FECI withholding, as well as updating the legal framework that regulates FECI in light of the amendments made to Law 4 of 1994 by Law 110 of 2013.

Specifically, Articles 2, 5, 10, 11, 14, 16, 19, 20, 25, 26 and 27, as well as Proviso 1 of Article 6, paragraph f of Article 7, and paragraphs 5 and 7 of Article 13 were amended, and paragraphs 10, 11 and 12 were added to Article 13.

For your information, the full text of the amendment of the Articles we have referred to above can be found at the following URL address:

[http://www.asamblea.gob.pa/legispan/pdf\\_gacetas\\_diqi/2010\\_gacetas\\_diqi/2014\\_gacetas\\_diqi/2014\\_27524.pdf](http://www.asamblea.gob.pa/legispan/pdf_gacetas_diqi/2010_gacetas_diqi/2014_gacetas_diqi/2014_27524.pdf)

It is possible that the contents of Articles 16 and 25 may raise some doubts about the feasibility of their application. Consequently, the Superintendency is approaching the proper authorities for possible revisions to those articles.

We would greatly appreciate your providing your staff with the necessary instructions for compliance with the provisions of this Circular.

Sincerely,

Alberto Diamond R.  
Superintendent

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