

Chambers Acquisition Finance Practice Guide 2022: Mexico Chapter

Category: Banking & Finance, Publications, Securitizations & Structured Finance, Structured Finance, Tax, Uncategorized, Workouts & Insolvency

written by Adrián Trejo Santiago | July 7, 2022

Take a look at our contribution to the Mexican Chapter of the Acquisition Finance 2022 Global Practice Guide of #Chambers & Partners. The Mexican chapter was prepared by partners [Adrián López](#) and [José Humberto Rocha](#) covering the most significant aspects of acquisition finance transactions, ranging from LBO's to security arrangements.

“Mexican banks (including credit and risk committees) adapted very fast to the lockdown, and performed very well despite the pandemic restraints and the increased workload derived from numerous “COVID-19 restructurings”.

“As in many other jurisdictions, acquisition finance faces the challenge of creating comprehensive and reliable financial models for targets. In many sectors, it is expected that such uncertainty will begin to dissipate by the second semester of 2021, as vaccines become available to the population at large and companies can access more elements to adjust their business plans accordingly.”

You can read the full article at Chambers & Partners [website](#).

[Acquisition Finance_MEXICO_2022](#)

The firm appoints new Partner

Category: Firm news, Tax

written by Adrián Trejo Santiago | July 7, 2022

Nader Hayaux Goebel is pleased to announce that Ana Paula Pardo has joined the Firm as Partner effective July 12, 2021.

Ana Paula will be part of the Tax Practice of the Firm, working mainly on domestic and international tax matters. Her practice includes the representation of individuals and corporations in matters related to commercial transactions, tax planning, estate planning, business ventures, long-term business arrangements, investments, mergers and acquisitions, spin-offs, divestitures, non-taxable reorganisations and transfer pricing consulting, among others.

Ana Paula has extensive experience in international transactions, including the representation of multinational and domestic groups in their operations, assisting them during the course of tax audits, and representing them in tax-related litigation. Her expertise in corporate law and negotiation skills allow Ana Paula to very effectively assist her clients in their operations.

“Our Firm has grown and positioned itself as one of the best Mexican Firms. We are at a strategic moment where we want to ensure the Firm’s leadership in the tax area, as we have in the rest of our practices. The addition of Ana Paula and her team gives us the opportunity to strengthen our capabilities, reinforce our client service and nurture our roster of recognized partners in the Firm.” Hans Goebel, Chairman of Nader Hayaux Goebel.

With more than 19 years of experience, she will be joining the tax team headed by our partner Adalberto Valadez in order to broaden the scope of services offered to our clients. The combined services offering raises the bar for the practice that is not only recognized in Mexico, but also abroad.

Adalberto enthuses that *“Ana Paula and her team are a very welcome addition to our team that will allow us to provide a much more comprehensive tax service to our clients, by increasing our capabilities to provide tax consulting and tax controversy*

services related to the day-to-day operations of our clients, in addition to the transactional services for which our practice is recognized”.

Ana Paula, the newest addition to the firm’s team of successful women partners, joins our tax practice together with two associates, Luis Roberto Moreno and Miguel Ángel Aspe. With these additions to our tax team, we are consolidating a stronger team of tax professionals while continuing to reinforce our commitment to offer the best quality service to our clients.

Ana Paula obtained her law degree from Universidad Panamericana in 2002, and a postgraduate degree from the University of Salamanca in 2004. She has an LLM from the University of Florida – Fredric G Levin College of Law, where she obtained a certificate of academic excellence in 2007.

Chambers Acquisition Finance Practice Guide 2021: Mexico Chapter

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written by Adrián Trejo Santiago | July 7, 2022

Take a look at our contribution to the Mexican Chapter of the Acquisition Finance 2021 Global Practice Guide of @Chambers. The Mexican chapter was prepared by partners [Adrián López](#) and [José Humberto Rocha](#) covering the most significant aspects of acquisition finance transactions, ranging from LBO’s to security arrangements.

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You can read the full article at Chambers & Partners [website](#).

Download the full guide here [MEXICO Acquisition Finance 2021](#)

Investment Funds (Chambers & Partners Guide 2021)

Category: Banking & Finance, Capital Markets, Mergers and Acquisitions, Publications, Tax

written by Adrián Trejo Santiago | July 7, 2022

This cross-border legal guide provides a global comparison of fundamental legal, tax and regulatory considerations relating to the establishment and operation of investment funds in a range of jurisdictions where the industry is active. Each chapter is written by leading legal advisers from the relevant jurisdiction, providing information on the structures typically used, the regulatory framework for those funds, any significant operational requirements, how the funds may be marketed, a summary of the tax treatment for both the fund itself and investors, and customary or common terms.

This guide seeks to provide guidance on the key questions arising when industry participants are seeking to establish, operate, market and/or invest in an investment fund. Investment funds often operate across multiple jurisdictions. Those who understand the global landscape will be at a distinct commercial advantage, as well as minimising their risk of falling foul of local laws.

Partners [Héctor Arangua](#) and [Adalberto Valadez](#) have contributed with an overview of the legal, tax and regulatory considerations and investment funds applicable in the Mexican industry.

Find out more reading the complete article [here](#).

More info and the 25 country chapters are available on [Chambers' website](#).

Chambers Investment Funds 2020 Guide

Category: Banking & Finance, Mergers and Acquisitions, Publications, Tax
written by Adrián Trejo Santiago | July 7, 2022

Partners Héctor Arangua and Adalberto Valadez have contributed the Mexico chapter of the Chambers Investment Funds 2020 Guide.

This cross-border legal guide provides a global comparison of fundamental legal, tax and regulatory considerations relating to the establishment and operation of investment funds in a range of jurisdictions where the industry is active. Each chapter is written by leading legal advisers from the relevant jurisdiction, providing information on the structures typically used, the regulatory framework for those funds, any significant operational requirements, how the funds may be marketed, a summary of the tax treatment for both the fund itself and investors, and customary or common terms.

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fund. Investment funds often operate across multiple jurisdictions. Those who understand the global landscape will be at a distinct commercial advantage, as well as minimising their risk of falling foul of local laws.

You can download the PDF of the Mexico chapter [here](#).

More info and the 25 country chapters are available on [Chambers' website](#).

COP 26 Private Finance Agenda launched

Category: Banking & Finance, Energy, Legal Alerts, Project Finance, Tax

written by Adrián Trejo Santiago | July 7, 2022

On February 27, 2020, the 'COP26 Private Finance Agenda' was launched in London (the "**Agenda**").

The Agenda aims to assist the private sector in its transition to a net zero carbon economy.

The objective is to achieve that every professional financial decision takes climate change into account. The Agenda will focus on creating the right framework for reporting, risk management and returns to help finance a whole economy transition. The foregoing will require that every company, bank, insurer and investor will need to adjust their business models for a low carbon world.

The COP 26 - co-hosted by the UK and Italy - will also seek to support developing countries to deliver a prosperous, zero carbon future for all.

For more information on the Agenda, please find the link to the corresponding page <https://www.bankofengland.co.uk/events/2020/february/cop26-private-finance-agenda-launch>.

We will be following up on the work and development of the Agenda in a timely manner, and we remain at your service in case you have any comments regarding the above and to provide you with the advice you require regarding the implementation of the Agenda and the evaluation of its impact on your operations.

For further information with respect to the COP26 Private Finance Agenda or in respect to the application of the Sustainable Development Goals (SDO) in your business, please reach out to your regular contacts at Nader Hayaux Goebel or Yves Hayaux-du-Tilly L. +52 (55) 4170 3003 yhayaux@nhg.com.mx.

ITR Collaboration: Mexican Congress approves new limitation to deduct interest based on profits

Category: Publications, Tax

written by Adrián Trejo Santiago | July 7, 2022

[Ángel Escalante C.](#) and [Alejandro Gordillo R.](#) in collaboration with ITR talked about how the Mexican Congress approves new limitation to deduct interest based on profits. This unravels the new economic proposal put forth to strengthen compliance with Mexico's existing tax structure.

You can download the full article [here](#), or you can visit the ITR [website](#).



Proposed Tax Amendments in the 2020 Budget Bill

Category: Legal Alerts, Tax

written by Adrián Trejo Santiago | July 7, 2022

On September 8, 2019, the Executive delivered to the Mexican Congress the Budget Bill for 2020, which includes the proposed “Decree by which various provisions of the Income Tax Law, Value Added Tax Law, Law on Special Tax on Production and Services and the Fiscal Code are amended, added and repealed” (the “2020 Tax Amendments”). Below we highlight the most relevant proposed tax modifications that will be discussed by Congress in the following days.

Income Tax

- Updating of the concept of permanent establishment, in accordance with recommendations set forth in action 7 of the BEPS Project.
- Revision of the provisions addressing hybrid mechanisms, in accordance

with recommendations set forth in action 2 of the BEPS Project.

- Modification of various provisions of the Law referring to the Preferential Tax Regimes, differentiating the income obtained through tax transparent foreign entities and vehicles, from the income related to preferential tax regimes obtained through controlled foreign entities.
- Introduction of a general rule addressing income realized by tax transparent foreign entities and vehicles.
- Establishment of a new limitation on the deduction of interest setting a cap equal to 30% of the Adjusted Tax Profit, as well as modification of the thin capitalization rules.
- Incorporation of the provision that was previously included in the Federal Revenue Act, allowing the reduction of the employee profit sharing upon calculating advanced monthly payments.
- Addition of a new set of rules dealing with income generated by Mexican resident individuals from the sale of goods or the provision of services through the Internet, technological platforms, and similar computer applications.
- Elimination of private REITs (FIBRAS), which will trigger the payment of the tax generated by the transfer of the assets to the trust as regulated under transitory provisions.

Value Added Tax Law

- Taxing digital services provided by non-residents with no PE in Mexico, as well as digital intermediation services between third parties provided by non-residents with no PE and by Mexican residents.
- Withholding of tax payable to labor outsourcing service providers.
- Rules dealing with activities not subject to VAT and their impact on credits.
- Repeal of the possibility to offset VAT favorable balances against other taxes due.

Excise Tax on Production and Services

- Repeal of the possibility to offset favorable excise tax balances against other taxes due.

Federal Fiscal Code

- Establishment of a general anti-abuse rule (GAAR) aimed at transactions that are deemed to lack a business purpose and resulting in a tax benefit.
- Amendment of the rules governing the offset of favorable tax balances, now excluding the possibility of being applied with respect to taxes withheld from third parties.
- Introduction of the obligation for tax advisors to disclose reportable transactions, as well as the possibility of performing tax audits to review the compliance therewith and assessing penalties for non-compliance.
- Addition of various provisions aimed at challenging companies that issue, market and use tax invoices from non-existent operations.

For further information with respect to the Proposed Tax Amendments, please get in touch with your regular contacts at Nader Hayaux Goebel.

Business Plan of Petróleos Mexicanos

Category: Energy, Legal Alerts, Tax

written by Adrián Trejo Santiago | July 7, 2022

On July 16 of 2019, the director of Petroleos Mexicanos (“PEMEX”), Octavio Romero, announced the Business Plan of PEMEX and its Productive Subsidiaries for 2019-2023 (the “Business Plan”). In this regard:

1. Principal milestones for 2023.
2. PEMEX’s current situation
3. Tax Reduction
4. Private Sector
5. Principal Projects 2019-2023

6. Expert opinions

To read the full newsletter, please download the PDF [here](#).

For further information with respect to the business plan, please get in touch with your regular contacts at Nader Hayaux Goebel.

O'Donnell-Structuring and Public Offering of CKDs

Category: Banking & Finance,Capital Markets,Real Estate,Tax

written by Adrián Trejo Santiago | July 7, 2022

The firm advised Grupo O'Donnell in the structuring and placement of structured notes (certificados de capital de desarrollo) or CKDs in the Mexican Stock Exchange (Bolsa Mexicana de Valores) issued through an issuing trust (fideicomiso) with an initial issuance of MXN\$400 million plus additional commitments, through a capital call mechanism, for a total committed issuance amount of MXN\$2 billion (approximately US\$100 million) with the purpose to create a private-equity fund to invest, from time to time, in industrial real estate and urban infrastructure.

This placement represents the first structured notes issued by O'Donnell, and it also involved the participation of two coinvestors controlled by O'Donnell.