

SANJAY KUMAR

Executive Director-cum-Secretary

Ref: CEPC/HQ/ED-Corres/2020-21

Date: 21-10-2020

To,
All Members

Sub.: New EMMA tax regime of PANAMA

Dear Members,

We have received a communication from Shri U.S. Rawat, Ambassador, Embassy of India, Panama, wherein he discussed a special regime called EMMA in Panama.

EMMA establishes special rules for operation of multilateral firms providing the production services. The special tax regime is required to help business overcome the coronavirus pandemic consequences.

This regime is aimed at new companies that want to take advantage of the incentives, or for companies that are currently registered under the headquarters of multinational companies regime, and who wish to expand their services within the same economic group under a new light manufacturing division. The companies will get a whole range of exemptions. In particular, the tax regime provides for the tax break up to 5% for the next 5 years after company registration in EMMA tax regime. The employees of organizations will be able to claim a 50% bonus for working on holidays as well a 25% bonus for working overtime.

The main aim of this regime is to boost up the enough economy, generate the new jobs and capitalize on the technological transfer in Panama.

A detailed note is enclosed herewith for the benefits of the Members.

This is for your kind information and Members can take benefit of this opportunity

Regards



Sanjay Kumar
Executive Director