



## Corporate Obligations Guide El Salvador 2022



Learn about the annual obligations that apply to your company in El Salvador.  
At BLP we can help you to ensure compliance.

### January: Update notification address

- Applies to Merchants with VAT registration who are required to update the address to receive notifications.
- Expiration date: January 10, 2022.

### January: Report of dividends, shares, and shareholders/partners

- Companies that distribute dividends or profits, must report during January all distributions made in the preceding year, as well as a list of shareholders or partners whether or not they have received dividends, profits, or other remuneration.
- Expiration date: January 31, 2022.

### January: Income tax withholding report

- A report of all income tax withholdings that have been reported monthly in January of each year must be prepared.
- Expiration date: January 31, 2022.

### February: Report on inventories

- In February, it is necessary to file the detail of the realizable inventory (that is, the inventory that is sold) of the companies, article by article, detailing the name, quantity, or final amount on hand as of December 31 of the closed year.
- Expiration date: February 28, 2022.

### **March: Municipal tax**

- Applies to most municipalities in the country, including San Salvador, Santa Tecla, San Miguel, Antigua Cuscatlán, etc., except for Santa Ana, which is in April.
- The statement must be filed before March 31 and the payment must be made before April 30, for income from the previous year.
- Expiration date: March 31, 2022; last payment date April 30, 2022.

### **April: Income tax**

- Companies subject to the tax are required to file an income tax return, and must make a settlement of the income, the respective tax, and make the payment.
- The declaration must be filed within the first 4 months of the year.
- Companies must calculate their tax by applying the rate of 30% to the taxable income; except if they have obtained taxable income less than or equal to one hundred and fifty thousand dollars (\$150,000.00), to which the 25% rate will apply.
- Expiration date: April 30, 2022.

### **May: General Shareholders Meeting**

- Applies to all companies in El Salvador.
- A General Shareholders' Meeting must be held annually during May to approve the following: work report of the legal representative, financial statements for the year, the appointment of the company's external auditor (and treasurer, if applicable), and application of the results of the prior year.
- Expiration: May 31, 2022.

### **May: Balance Sheet, Income Statement and Tax Reconciliation**

- In May, the Balance Sheet, Income Statement and Tax Reconciliation must be filed through Form F971.
- File audited financial statements for registration in the Registry of Commerce.
- File the appointment of the external auditor to submit registration in the Registry of Commerce.
- Expiration: May 31, 2022.

### **May: Tax Opinion and appointment of Tax Auditor**

- The appointed Auditor must file the Tax Opinion together with the Fiscal Report, the Financial Statements, the Tax Reconciliations, and supplementary information, no later than May 31 of the year following the declared period.
- Expiration: May 31, 2022.

### **Annual: Renew the company registration and registration of premises**

- Company registration and registration of premises must be renewed annually.
- For the renewal of company registration, the balance sheet and the fee payment receipt must be submitted duly audited. The payment of rights corresponding to the Deposit of the General Balance, Renewal of the Registration, and the Registration of the premises, branch, or agency must be made in the authorized banks or institutions of the financial system, through payment forms available at such institutions. The obligation must be met annually in the month in which the articles of incorporation were registered.

### **Annual: Obtain proof of registration of statistical information**

- Every company must submit proof of registration of statistical information within sixty days from the date on which the company has been constituted; such requirement must be met annually in the month of the business owner's birthday.

<b>Minimum assets</b>	<b>Maximum Assets</b>	<b>Fee</b>
0	US \$ 11,428.57	US\$ 5.00
US \$ 11,428.57	US \$ 57,142.86	US \$8.00
US \$ 57,142.86	US \$ 114,285.71	US \$10.00
US \$ 114,285.71	US \$ 228,571.43	US \$15.00
More than US \$ 228,571.43	Unlimited	US\$ 20.00

**At BLP we have a team that can assist you with the process.**

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