

### 2024 – Local Taxes Coahuila de Zaragoza

Mexico City, November 23, 2023

#### Payroll Tax

The official gazette's website for Coahuila de Zaragoza was recently updated to include the November 3th, 2023 publication of the Decree #563.

In such Decree, Article 24 of the Local Revenue Law for Coahuila de Zaragoza was amended, to increase the payroll tax rate from 2% to 3%.

Pursuant to the transitory provisions, the new rate will enter into effect as of January 1st, 2024.

Derived from this amendment to the referred provision that sets the rate of the payroll tax, taxpayers can challenge the provisions that foresee the regulations of such tax that constitute a "system" (*sistema normativo*).

Taxpayers have two moments to challenge the unconstitutionality of a provision by filing an amparo claim: (i) within 30 business days following the entry into force of the provision (*norma autoaplicativa*) or (ii) within 15 business days following the application of the new rate (*norma heteroaplicativa*).

For further information on the scope of the tax reform or challenging the payroll tax regulations, please contact the following persons: Denise Lester (Tax Litigation Partner - [dlester@galicia.com.mx](mailto:dlester@galicia.com.mx)) and/or Alejandro Madero (Tax Litigation Associate - [amadero@galicia.com.mx](mailto:amadero@galicia.com.mx)).

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