



Observatory for the Protection of Taxpayers' Rights

Below you will find a questionnaire filled in by or with the contribution of the National Reporter of Mexico, Dr. Manuel Hallivis and Ms. Paula Nava, both representatives of the Judiciary.

This questionnaire comprises the National Reporter assessment on the level of compliance of the minimum standards and best practices on the practical protection of taxpayers' rights identified by Prof. Dr. Pistone and Prof. Dr. Philip Baker at the 2015 IFA Congress on "*The Practical Protection of Taxpayers' Rights*". This report was filled in considering the following parameters:

1. It contains information on those issues in which there were movements towards or away from the level of compliance of the relevant standard/best practice in Mexico between 2015 and 2017.
2. It is indicated, by the use of a checkmark () whether there were movements towards or away from of the level of compliance of the relevant standard/best practice in Mexico between 2015 and 2017.

It contains a summarized account on facts (legislation enacted, administrative rulings, circulars, case law, tax administration practices) that serves as grounds for each particular assessment of the level of compliance of a given minimum standard / best practice, in a non-judgmental way.

Minimum Standard	Best Practice	Shift towards	Shift away	Development
1. Identifying taxpayers, issuing tax returns and communicating with taxpayers				
Implement safeguards to prevent impersonation when issuing unique identification numbers		✓		For the last years, the Mexican Tax Authorities (SAT), have implemented biometric validation (photograph, fingerprints, iris capture, in addition to the verification of ID of the taxpayer). (Since 2011)
The system of taxpayer identification should take account of religious sensitivities			✓	According to the Mexican Constitution, religious freedom is an important principle and therefore such circumstance is not taken into consideration by tax authorities when identifying taxpayers as may result in possible discriminatory practices. (Before 2015)
Impose obligations of confidentiality on third parties with respect to information gathered by them for tax purposes	Where tax is withheld by third parties, the taxpayer should be excluded from liability if the third party fails to pay over the tax	✓		Not only withholders have confidentiality obligations with respect to the third parties, but failing of the payment will lead to sanctions and even criminal offences against non-compliant withholders. (Before 2015)
Where pre-populated returns are used, these should be sent to taxpayers to correct errors		✓		When accessing pre-populated returns in SAT electronic portal, most errors (arithmetic) are detected automatically before taxpayers submit said return. After the submission, a proof of receipt is sent to the taxpayers email for validation. (Before 2015)
Provide a right of access for taxpayers to personal information held about them, and a right to apply to correct inaccuracies	Publish guidance on taxpayers' rights to access information and correct inaccuracies	✓		Taxpayers are entitled and able to access to their information and to correct any return through the SAT electronic portal, and even tax authorities have enabled a phone number for tax assistance. Furthermore, the Mexican Tax Ombudsman (PRODECON), has developed numerous guidelines and informative brochures in order to help taxpayers to have an efficient access to their tax profile and information. (This situation has been developing since 2004)
Where communication with taxpayers is in electronic form, institute systems to prevent impersonation or interception		✓		The electronic signature is mandatory to access the SAT electronic portal, and all communications delivered through such system are encrypted and such system applies measures to prevent interception and impersonation. (Since 2005)

Where a system of “cooperative compliance” operates, ensure it is available on a non-discriminatory and voluntary basis			✓	Mexico does not have a formal cooperative compliance system in operation.
Provide assistance for those who face difficulties in meeting compliance obligations, including those with disabilities, those located in remote areas, and those unable or unwilling to use electronic forms of communication			✓	<p>As all tax obligations are to be complied through remote means (internet, computer based stations in tax offices), there are no special rules for people with disabilities. Moreover, people located in remote locations have access through computer-based stations in tax offices located in small towns and cities. Such stations are properly equipped and officials are available to give assistance to taxpayers.</p> <p>However, this modernization of the tax system in Mexico (<i>all obligations shall be complied through electronic means</i>) represents both an advance for simplicity in benefit of the taxpayers; and, at the same time, a setback in access to justice.</p> <p>Court decisions have stated that the generic tax remedy (<i>revocación</i>) that is not filed by electronic means, cannot be deemed as valid, and therefore, despite the fact that it is filed in paper before the tax authority, the authority is not obliged to issue a resolution. Such circumstance represents a decrease in the protection of human rights of the taxpayers.</p> <p>(Since 2012 and the electronic portal was implemented in 2014)</p>
2. The issue of tax assessment				
	Establish a constructive dialogue between taxpayers and revenue authorities to ensure a fair assessment of taxes based on equality of arms			<p>In Mexico, tax assessment is based on the principle of self-determination, and ideally, all tax laws and rules are based on the equality of arms principle. Therefore, a dialogue is not foreseen under Mexican regulation.</p> <p>(Before 2015)</p>
Minimum Standard	Best Practice	Shift towards	Shift away	Development
2. The issue of tax assessment (cont)				
	Use e-filing to speed up assessments and correction of errors, particularly systematic errors		✓	<p>As mentioned above, e-filing through the SAT electronic portal have speed up all files before the tax authorities, including assessments and returns.</p> <p>(Since 2005)</p>
3. Confidentiality – All confidentiality developments begun since 2004				
Provide a specific legal guarantee for confidentiality, with sanctions for officials who make unauthorised disclosures (and ensure sanctions are enforced)	Encrypt information held by a tax authority about taxpayers to the highest level attainable		✓	<p>Public officials that work for the SAT office, are subject to specific and controlled confidentiality measures to prevent unauthorised disclosure, as tax information is considered as sensitive and restrained.</p> <p>Therefore, all information and documents of taxpayers are held encrypted</p>

				in a secure system network that complies with the highest standards of security and protection.
Restrict access to data to those officials authorised to consult it. For encrypted data, use digital access codes	Ensure an effective fire-wall to prevent unauthorised access to data held by revenue authorities	✓		All information systems of the SAT authority are subdivided by general administrations (such as, taxpayers services, audits, major taxpayers, etc.), and local administrations. Each authority act or filing is classified into a specific administration, so that only officials related to that specific act can be able to review it. Likewise, the SAT system is protected with diverse measures (such as fire-walls) to prevent and identify unauthorized access.
Audit data access periodically to identify cases of unauthorised access		✓		As part of the security measures, SAT authority has the General Administration of Information Technologies, which is the specific area that is in charge of the implementation, development and modernization of the information technologies and confidentiality information of taxpayers. This area performs ordinary audits.
Introduce administrative measures emphasising confidentiality to tax officials	Appoint data protection/privacy officers at senior level and local tax offices			All systems are centralized and therefore, both data protection and privacy officers are part of the said General Administration of Information Technology. It is important to mention that this area gives routine training to all the personnel to approach them to new IT systems and technologies.
If a breach of confidentiality occurs, investigate fully with an appropriate level of seniority by independent persons (e.g. judges)		✓		The investigation comes from the internal audit office of the SAT, with support on the facts and data that the IT General Administration provides. After the investigation, the corresponding sanction will be imposed by a Federal Judge. Additionally such investigation may derive in a criminal investigation, too.
Introduce an offence for tax officials covering up unauthorised disclosure of confidential information			✓	There is not a specific offence for tax officials with respect to unauthorised disclosure of confidential information, however, Mexican Criminal Code foresees a specific chapter of offences that are related to public function and are applicable in these type of conducts.
Provide remedies for taxpayers who are victims of unauthorised disclosure of confidential information			✓	There is not a specific remedy for taxpayers, however, victims of unauthorised disclosure are entitled to seek for remediation in an administrative, criminal or civil (claim for damages) trials, against the public official.
Exceptions to the general rule of confidentiality should be explicitly stated in the law, narrowly drafted and interpreted		✓		Mexican law foresees specific and narrow exceptions applicable for tax information and tax authorities. The most relevant cases is when such information is required in a criminal investigation or in a money laundering investigation.
If “naming and shaming” is employed, ensure adequate safeguards (e.g. judicial authorisation after proceedings involving the taxpayer)	Require judicial authorisation before any disclosure of confidential information by revenue authorities		✓	Since January 2014, Mexican tax authorities have developed a list of taxpayers that apparently perform simulated transactions and issue false invoices. Although this system aims to prevent tax evasion and money laundering, its implementation is not sustained on protection of taxpayer rights principles and important breaches are committed by tax authorities. For example, the prior notice given to the taxpayers before their name is published in this list, does not have to be personal, but through the SAT’s

				webpage. Likewise, as this list is literally named “list of taxpayers that apparently perform”, taxpayers are entitled to go to the Federal Court and provide documents and information to undermine the determination of tax authorities in this respect.
No disclosure of confidential taxpayer information to politicians, or where it might be used for political purposes	Parliamentary supervision of revenue authorities should involve independent officials, subject to confidentiality obligations, examining specific taxpayer data, and then reporting to Parliament	✓		As disclosure of tax information is only accepted in very specific cases (criminal and money laundering), the disclosure for political purposes is not possible under the current legal framework.

Minimum Standard	Best Practice	Shift towards	Shift away	Development
3. Confidentiality (cont).				
Freedom of information legislation may allow a taxpayer to access information about himself. However, access to information by third parties should be subject to stringent safeguards: only if an independent tribunal concludes that the public interest in disclosure outweighs the right of confidentiality, and only after a hearing where the taxpayer has an opportunity to be heard			✓	Taxpayers are only entitled to verify and access the information and documentation that is part of their electronic file. Such information may comprise annual returns, provisional returns (uploaded by such taxpayer), remedies filed before tax authorities and their general personal information. And the only third parties that can have access to such information are authorities (not individuals), prior to a tribunal resolution in such respect.
If published, tax rulings should be anonymised and details that might identify the taxpayer removed	Anonymise all tax judgments and remove details that might identify the taxpayer	✓		Mexico has developed an important data protection and public information policy. In accordance to such policies, any and all public documents can be published only if the personal data is removed from the content.
Legal professional privilege should apply to tax advice	Privilege from disclosure should apply to all tax advisors (not just lawyers) who supply similar advice to lawyers. Information imparted in circumstances of confidentiality may be privileged from disclosure		✓	Authorities may require information to tax advisors or other third parties, regarding a specific legal or accounting service or even acquisitions or corporative restructuring or appointments. This new obligations derive from the anti money laundering policies, however tax authorities and AML authorities share the same systems and that information may be available exclusively for tax purposes.
Where tax authorities enter premises which may contain privileged material, arrangements should be made (e.g. an independent lawyer) to protect that privilege			✓	According to Mexican Federal Tax Code, the only case in which tax authorities are entitled to enter taxpayers’ premises is when performing an audit. Rules for audits are very specific, as such proceeding can only begin at the previous notice of tax authorities expressing the specific year and concepts that the audit will comprise and taxpayers are only obliged to show the authority such premises or documents that are strictly related for the audit purpose. However, in case some of the requested information is deemed as a privilege for the taxpayer, there is no remedy or exception foreseen under the law to prevent the taxpayer from revealing it.
4. Normal audits.				

<p>Audits should respect the following principles:</p> <p>(1) Proportionality</p> <p>(2) <i>Ne bis in idem</i> (prohibition on double jeopardy)</p> <p>(3) <i>Audi alteram partem</i> (right to be heard before any decision is taken)</p> <p>(4) <i>Nemo tenetur se detegere</i> (principle against self-incrimination).</p> <p>Tax notices issued in violation of these principles should be null and void</p>			✓	<p>All of said principles apply to audit proceeding under Mexican law, and audits issued in violation to such principles can be declared to be null and void before an administrative Court.</p> <p>However, in connection with the principle against said incrimination, it is important to mention that according to Mexican law, when performing an audit the authority requests diverse documentation (that is considered to be necessary and strictly related to such audit), it shall be provided by the taxpayer. If this taxpayer fails to providing it, authority may estimate profit calculation base don the information it has available.</p> <p>Therefore, the reservation of any information, will eventually lead to a negative scenario for taxpayers.</p> <p>(Since 2001)</p>
<p>In application of proportionality, tax authorities may only request for information that is strictly needed, not otherwise available, and must impose least burdensome impact on taxpayers</p>		✓		<p>This is correct. As mentioned above, the purpose of the audits performed by tax authorities have to be clear and specifically delimited. However, the information request is to be left to the SAT to judge.</p> <p>(Since 2001)</p>

Minimum Standard	Best Practice	Shift towards	Shift away	Development
4. Normal audits (cont).				
	<p>In application of <i>ne bis in idem</i> the taxpayer should only receive one audit per taxable period, except when facts that become known after the audit was completed</p>	✓		<p>This is correct.</p> <p>(Since 2001)</p>
<p>In application of <i>audi alteram partem</i>, taxpayers should have the right to attend all relevant meetings with tax authorities (assisted by advisors), the right to provide factual information, and to present their views before decisions of the tax authorities become final</p>		✓		<p>All acts during the audit must be formalized (written form) by both parties (authority and taxpayer) and taxpayers are entitled to file any information or documentation that they consider to be necessary to prove the compliance of the audited taxpayer or even to declare any relevant statement during the audit proceeding.</p> <p>(Since 2001)</p>
<p>In application of <i>nemo tenetur</i>, the right to remain silent should be respected in tax audits.</p>		✓		<p>Taxpayers are entitled to remain silent, however if the information or documentation requested by the SAT is not properly clarified or presented by the taxpayer, authorities may be able to make a estimative assessment of taxes.</p> <p>(Since 2001)</p>

	Tax audits should follow a pattern that is set out in published guidelines	✓		Such rules are clearly stated under the Mexican Federal Tax Code and the Mexican Ombudsman has developed practical guidelines in this respect.
	A manual of good practice in tax audits should be established at the global level	✓		This manual has been developed and improved by Mexican Ombudsman. (Since 2006)
	Taxpayers should be entitled to request the start of a tax audit (to obtain finality)		✓	This figure is not foreseen under Mexican tax law (is not a right for taxpayers), however taxpayers can request the start of a tax audits but the authority are not binded under said request.
Where tax authorities have resolved to start an audit, they should inform the taxpayer	Where tax authorities have resolved to start an audit, they should hold an initial meeting with the taxpayer in which they spell out the aims and procedure, together with timescale and targets. They should then disclose any additional evidence in their possession to the taxpayer	✓		As per the Federal Mexican Tax Code, authorities that will start an audit must notify personally to the taxpayer a document called visit warrant that must state the place of the audit, name of the auditor, name of the taxpayer. The audit will begin with an introduction of the auditors, and two witnesses are appointed. (Since 2001)
Taxpayers should be informed of information gathering from third parties				During the course of the audit, the tax authorities may gather information from third parties, however such circumstance has to be informed to the taxpayer at the end of the audit proceeding, that is, in the last circumstanced document that is issued before a tax assessment is made. (Since 2001)
	Reasonable time limits should be fixed for the conduct of audits	✓		Such reasonable limits must be stated in the visit warrant and once notified to the taxpayer, the object or extent of the audit cannot be modified. (Since 2001)
Technical assistance (including representation) should be available at all stages of the audit by experts selected by the taxpayer		✓		After each visit, a circumstanced document shall be signed by both parties. Such document must contained a detailed explanation of the facts and/or omissions that were learned by the auditors as consequence of that specific visit. The taxpayer is entitled to participate in the elaboration of such document and provide any and all documentation that he considers relevant in that specific respect. (Since 2001)
Minimum Standard	Best Practice	Shift towards	Shift away	Development
4. Normal audits (cont).				
The completion of a tax audit should be accurately reflected in a document, notified in its full text to the taxpayer	The drafting of the final audit report should involve participation by the taxpayer, with the opportunity to correct inaccuracies of facts and to express the taxpayer's view	✓		As said above, at the end of the audit proceeding, the tax authority must issue and notify a circumstanced document that contains the results and conclusions of the audit. This report includes the participation of the taxpayers, and they have 20 days to correct inaccuracies or facts and to express the taxpayer's view.

				(Since 2001)
	Following an audit, a report should be prepared even if the audit does not result in additional tax or refund	✓		Correct. (Since 2001)
5. More intensive audits.				
	More intensive audits should be limited to the extent strictly necessary to ensure an effective reaction to non-compliance	✓		All audits, should be limited in object and duration, and such rules are clearly stated in the Mexican Federal Tax Code. (Since 2001)
If there is point in an audit when it becomes foreseeable that the taxpayer may be liable for a penalty or criminal charge, from that time the taxpayer should have stronger protection of his right to silence, and statements from the taxpayer should not be used in the audit procedure			✓	Whenever an audit derives in new facts that may lead to criminal charges, the tax authorities will involve the corresponding authorities to start the proper investigation. The criminal proceeding is independent from the continuity of the audit, and therefore, there is no right of the taxpayers to remain in silent. Additionally, statements from taxpayers may be used in both, the audit and the criminal proceeding if applicable. (Since 2001)
Entering premises or interception of communications should be authorised by the judiciary		✓		Correct. (Since 2001)
Authorisation within the revenue authorities should only be in cases of urgency, and subsequently reported to the judiciary for <i>ex post</i> ratification		✓		No, the only authorization that revenue authorities may have to enter premises should be under prior judiciary resolution. (Since 2001)
Inspection of the taxpayer's home should require authorisation by the judiciary and only be given in exceptional cases.	Where tax authorities intend to search the taxpayer's premises, the taxpayer should be informed and have an opportunity to appear before the judicial authority, subject to exception where there is evidence of danger that documents will be removed or destroyed	✓		There is no specific case that allows a tax authority to enter the home or premises of the taxpayer for <u>tax purposes</u> , other than the practice of a tax audit in accordance with the proceeding explained below. When a tax criminal offence is under investigation, different principles should apply. For the case of risk that documents will be removed or destroyed during an audit, tax authorities may seize the accounting records of taxpayers. (Since 2001)
	Access to bank information should require judicial authorisation	✓		Yes, in all cases. (Before 2015)
	Authorisation by the judiciary should be necessary for interception of telephone communications and	✓		Yes, in all cases.

	monitoring of internet access. Specialised offices within the judiciary should be established to supervise these actions			(Before 2015)
Minimum Standard	Best Practice	Shift towards	Shift away	Development
5. More intensive audits (cont).				
Seizure of documents should be subject to a requirement to give reasons why seizure is indispensable, and to fix the time when documents will be returned; seizure should be limited in time		✓		The seizure of document must be notified to the taxpayer during the course of the audit, explaining the reasons and the importance of such seizure. (Since 2001)
	If data are held on a computer hard drive, then a backup should be made in the presence of the taxpayer's advisors and the original left with the taxpayer		✓	This situation is not foreseen under Mexican law. (Since 2001)
Where invasive techniques are applied, they should be limited in time to avoid disproportionate impact on taxpayers		✓		Any and all audits should be limited in time to a maximum of 12 months. (Since 2001)
6. Review and appeals.				
	E-filing of requests for internal review to ensure the effective and speedy handling of the review process		✓	Requests for internal review are not foreseen under Mexican law.
The right of appeal should not depend upon prior exhaustion of administrative reviews		✓		The appeal may be filed by the taxpayer right after an tax assessment is made by the authority. (Before 2015)
	Reviews and appeals should not exceed two years	✓		If tax authorities does not solve the appeal within three months, then the it is deemed that the authority solved the appeal in a negative way. After this occurs, taxpayer is entitled to start a trial before the Administrative Court. (Before 2015)
<i>Audi alteram partem</i> should apply in administrative reviews and judicial appeals		✓		Both parties have the right to present any and all information and documentation that may be relevant for proving their arguments. (Before 2015)
Where tax must be paid in whole or in part before an appeal, there must be an effective mechanism for providing interim suspension of payment	An appeal should not require prior payment of tax in all cases	✓		The Administrative Court may grant a suspension of the execution of the tax credit that was imposed by the SAT authority when: 1) The execution does not contravene public interest or affect social interest, and 2) the tax credit should be guaranteed before the tax authority. (Before 2015)

	The state should bear some or all of the costs of an appeal, whatever the outcome	✓		In accordance with Mexican Constitution, any and all justice in Mexico is free, therefore appeals or trials will have no cost for the parties, whatever the outcome. (Before 2015)
Legal assistance should be provided for those taxpayers who cannot afford it		✓		There is a specific department in SAT, called Services to taxpayers, this area is in charge of providing taxpayers with legal assistance related with tax filings. Additionally, Mexican Ombudsman has a specific area in charge of providing legal assistance to taxpayers in case of a dispute. (Before 2015)
Taxpayers should have the right to request the exclusion of the public from a tax appeal hearing		✓		All tax appeals and trials are carried out in a paper-based proceeding. The files derived from such proceedings are strictly confidential. (Before 2015)
Tax judgments should be published		✓		They can be published, always in compliance with confidentiality and personal data protection rules. Therefore, only public versions of the judgements may be published. (Before 2015)

Minimum Standard	Best Practice	Shift towards	Shift away	Development
7. Criminal and administrative sanctions.				
Proportionality and <i>ne bis in idem</i> should apply to tax penalties		✓		Yes. (Before 2015)
	Where administrative and criminal sanctions may both apply, only one procedure and one sanction should be applied		✓	No, administrative proceedings against are independent from the criminal offence that may be committed and are held by two different authorities in two different proceedings or trials. (Before 2015)
	Voluntary disclosure should lead to reduction of penalties	✓		Yes, but only if such disclosure is made right before the tax authorities notify the final assessment of taxes during the course of an audit. (Before 2015)
Sanctions should not be increased simply to encourage taxpayers to make voluntary disclosures		✓		The above statement is the only benefit for voluntary disclosure under Mexican law and it prevents taxpayer from paying sanctions or penalties. (Before 2015)
8. Enforcement of taxes.				

Collection of taxes should never deprive taxpayers of their minimum necessary for living		✓		Not only does the tax rules in Mexico state the right for the minimum subsistence as an exception to the tax obligations of citizens, but the courts have strenghtened this principle. (Before 2015)
	Authorisation by the judiciary should be required before seizing assets or bank accounts	✓		Yes, in any and all cases. (Before 2015)
Taxpayers should have the right to request delayed payment of arrears		✓		Only when such request derives from a negotiation directly with the authority or with the intervention of the Mexican Ombudsman. (Before 2015)
	Bankruptcy of taxpayers should be avoided, by partial remission of the debt or structured plans for deferred payment		✓	Not in all cases, and not as a right for taxpayers. (Before 2015)
Temporary suspension of tax enforcement should follow natural disasters		✓		Yes, only when a general rule is published in such respect. (Before 2015)
9. Cross-border procedures.				
The requesting state should notify the taxpayer of cross-border requests for information, unless it has specific grounds for considering that this would prejudice the process of investigation. The requested state should inform the taxpayer unless it has a reasoned request from the requesting state that the taxpayer should not be informed on grounds that it would prejudice the investigation	The taxpayer should be informed that a cross-border request for information is to be made	✓		Yes, in accordance with Mexican Tax Rules (RMF) for FATCA exchange of information and with the Mexican Law for Credit Institutions, for the exchange of banking information. (Since 2014, Mexico has signed TIEAs, and the development is still ongoing)

Minimum Standard	Best Practice	Shift towards	Shift away	Development
9. Cross-border procedures (cont).				
	Where a cross-border request for information is made, the requested state should also be asked to supply information that assists the taxpayer		✓	
	Provisions should be included in tax treaties setting specific conditions for exchange of information	✓		Mexico has signed more than 40 Treaties for Automatic Exchange of Information (TIEAs) and is part of the CRS. Additionally, domestic law foresees the exchange of information under specific and detailed

				conditions, strengthening legal certainty for taxpayers. (Since 2014, Mexico has signed TIEAs, and the development is still ongoing)
If information is sought from third parties, judicial authorisation should be necessary			✓	Not for all cases.
	The taxpayer should be given access to information received by the requesting state	✓		The notification that the authorities must give a taxpayer with respect to an exchange of information procedure, is only with respect to the final result of such exchange but not in connection with the whole proceeding. (Since 2014, Mexico has signed TIEAs, and the development is still ongoing)
	Information should not be supplied in response to a request where the originating cause was the acquisition of stolen or illegally obtained information A requesting state should provide confirmation of confidentiality to the requested state	✓		According with article 20 of the Mexican Constitution, any evidence that has been illegally obtained or in violation to human rights, will be null and void. (Before 2015)
A state should not be entitled to receive information if it is unable to provide independent, verifiable evidence that it observe high standards of data protection		✓		Mexico has one of the highest standards for protection, encryption and security of the exchanged information. (Since 2014 but new IT measures have been implemented)
	For automatic exchange of financial information, the taxpayer should be notified of the proposed exchange in sufficient time to exercise data protection rights	✓		The exchange of information shall be understood as one of the auditing faculties of the authority, therefore, the whole proceeding explained above for audits must be applied. That includes, the notice given to the taxpayer and the extent of the exchange. For the case of the automatic exchange, no previous notice is required. (Since 2014 but new IT measures have been implemented)
	Taxpayers should have a right to request initiation of mutual agreement procedure		✓	Not for exchange of information.
Taxpayers should have a right to participate in mutual agreement procedure by being heard and being informed as to progress of the procedure			✓	Not for exchange of information.
10. Legislation.				
Retrospective tax legislation should only be permitted in limited circumstances which are spelt out in detail	Retrospective tax legislation should ideally be banned completely	✓		Retrospective tax legislation (or any other legislation) is prohibited under Article 14 of the Mexican Constitution. (Before 2015)
	Public consultation should precede the making of tax policy and tax law		✓	It is not formally required, however, Mexican Congress usually exchanges points of view and discusses new tax reforms with Law Bars and the business community.

				(Before 2015)
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Minimum Standard	Best Practice	Shift towards	Shift away	Development
11. Revenue practice and guidance.				
Taxpayers should be entitled to access all relevant legal material, comprising legislation, administrative regulations, rulings, manuals and other guidance		✓		Such materials are available in diverse webpages of different authorities and also, these material can be consulted directly in the tax offices of SAT. (Before 2015)
Where legal material is available primarily on the internet, arrangements should be made to provide it to those who do not have access to the internet			✓	Those materials are available in the offices of the tax authority. (Before 2015)
Binding rulings should only be published in an anonymised form		✓		Yes, public versions in accordance to data protection rules. (Before 2015)
Where a taxpayer relies upon published guidance of a revenue authority which subsequently proves to be inaccurate, changes should apply only prospectively		✓		Yes, retrospective application of rules or published guidance is forbidden in Mexico. (Before 2015)
12. Institutional framework for protecting taxpayers' rights.				
Adoption of a charter or statement of taxpayers' rights should be a minimum standard	A separate statement of taxpayers' rights under audit should be provided to taxpayers who are audited	✓		Yes, Mexican Tax Ombudsman is in charge of issuing and developing such statements and the tax authority is binded to notify them to the taxpayers during an audit. (Since 2006)
	A taxpayer advocate or ombudsman should be established to scrutinise the operations of the tax authority, handle specific complaints, and intervene in appropriate cases. Best practice is the establishment of a separate office within the tax authority but independent from normal operations of that authority		✓	Mexican Tax Ombudsman is a separate office within the tax authority and independent, however it does not have enough faculties to scrutinise the operations or audits of the tax authority, handle specific complaints and they can only intervene when an audit proceeding. (Since 2006)
	The organisational structure for the protection of taxpayers' rights should operate at local level as well as nationally	✓		Mexican Tax Ombudsman has representations at both, national and local levels. (Since 2006)