

The Lower House approves the Revenue Law, in line with the proposal of the MoF

- Earlier today, the Lower House finalized its part in the approval process of the 2022 Revenue Law
- We should remember that, apart from the approval of the Revenue Law, in this step there are also votes on modifications to the tax code and the Federal Rights Law, which are also fundamental for Federal Government income
- With the brief freeze of the legislative clock (for just a few hours), the process was completed in due time and compliance with the Fiscal Responsibility Law
- There were some changes relative to the [original proposal of the Ministry of Finance](#), albeit with most of them relatively modest
- For starters, macroeconomic forecasts were unchanged vs. the MoF's figures, highlighting GDP growth at 4.1%, the Mexican oil mix price at US\$/bbl 55.1, and the exchange rate at USD/MXN 20.30
- There were no substantial changes within the Federal Rights Law. Inside we highlight greater increases in prices of several administrative procedures and government services, including passports and museum fees, among others
- On the tax code, only seven out of 511 reserves were admitted. One of them is related to the registration of adults (18+ years) to the IRS even if they are not engaged in some economic activity. Specifically, penalties and fees for those who don't register were eliminated, in contrast to charges of up to \$11,800 (US\$582.5) previously
- Other important modifications in this front include:
 - (1) Elimination of an update in which the fiscal subsidy to excise taxes to gasolines is determined, maintaining the current scheme;
 - (2) Fiscal stimulus for culture, filmmaking and research will be reinstated; and
 - (3) The reduction in income taxes to primary activities will be kept as it stands currently
- Within the Revenue Law, only one reserve was accepted. This is related to the management of 2021 federal deposits to states and counties and financial returns generated by these resources, with the requirement to be returned no later than December 31st, 2022
- With these adjustments, the total amount in the Revenue Law stands at \$7,088.3 billion (US\$349.9 billion), in line with the estimate of the Ministry of Finance
- With this, the proposal is turned to the Senate, which will have until October 31st to approve it, either as presented or making their own changes. In the latter case, the proposal would be sent back to the Lower House

October 21, 2021

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Main fiscal variables – 2022

% of GDP	
Variable	% of GDP
Public balance ¹	-3.5
Budget revenues	22.5
Total revenues ²	25.2
Total expenditures	25.2
Public debt ³	51.0

Notes: 1. Measured with the Public Sector Borrowing Requirements (PSBR); 2. Takes into account revenue from additional debt; 3. Measured with the Historical Balance of the PSBR
Source: Lower House, MoF

Deadlines for the 2022 Budget

Date	Concept	
Sep-8	2021 Budget Proposal	✓
Oct-20	Lower House approval of the Revenue Law	✓
Oct-31	Senate approves the Revenue Law	
Nov-15	Lower House approval of the <i>Spending Budget</i>	

Source: CGPE 2021, MoF

Document for distribution among the general public

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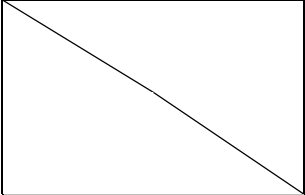
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