

Mexico

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1. Types of tax

1.1 Inheritance

Mexico's tax legislation does not establish an inheritance tax. Under Mexican law, succession is the legal means through which a person substitutes another on his or her rights and obligations due to the latter's absence. For Mexican tax purposes, a process must also be observed that goes in hand with the civil process, i.e., at the beginning of the testamentary succession to distribute the assets or wealth for which a notice must be filed with the Mexican tax authority (SAT).



However, in the event that a resident abroad receives by inheritance shares issued by legal entities residents in Mexico or real estate located in Mexico, a tax rate of 25% on the appraisal value of the goods will be applicable. According to the Civil Code of the Federal District (CCDF), a succession starts at the time of the decedent's death, or when the death is presumed in the case of absences or disappearances. A testamentary succession or intestate is formed when an executor is named.

Succession is integrated in the four stages shown in the table below.

Stages	Activities
Succession	The preparation of the testament (will) must be made by a notary public. Only the heirs who are listed in the will have the right to an inheritance. Appointment and/or removal of executor and inspector, and recognition of hereditary rights, must be made. The validity of the will, capacity to inherit and preference of rights must be resolved.
Inventory	Inventory of the estate's assets and debts must be prepared by the executor. If there is a trial regarding an individual's claim that he or she should be included in the will, the inventory must be updated to reflect the rulings and inclusion of new heirs (if necessary).
Administration	While the succession process is being carried out and the heirs agree on the manner in which the assets will be distributed, an administrator must be named. The administrator must ensure that all income produced by investments, rents and shares is properly accounted for and that the taxes are paid.
Distribution	A provisional distribution plan is prepared. If there are new heirs appointed as a result of a trial, a new inventory must be prepared and the new heirs included in the distribution plan. The assets are distributed. Resolutions must be made regarding the application of the goods that form the inheritance.

The executor is the representative of the succession against third parties, and he or she will have the following obligations:

- Submitting the will
- Securing the assets of the inheritance
- Conducting an inventory
- Managing the assets and surrendering of the accounts
- Paying the mortuary, hereditary and testamentary debts
- Dividing and awarding inheritance between the heirs and legatees
- Judging and defending the validity of the inheritance testament
- Representing the succession in all judgments promoting themselves in their name or any promotions against them

The executor or the legal representative of an estate will pay income tax each year on behalf of the heirs or legatees. In doing so, the representative must consider the income in a joint manner, until the settlement of the succession is deemed to be concluded. Such payments will be considered definitive, unless the heirs or legatees elect to include, in their gross income, the income corresponding to them, in which case they can credit their pro rata share of taxes paid by the succession.

1.2 Gift or donation

Donation is defined as an agreement under which a person (called donor) transfers to another (called donee), all or part of his or her current assets; this implies that it cannot include future assets. A donation is valid in the moment when the donee accepts it and makes the acceptance known to the donor. Certain formalities must be met for a donation to be valid, such as being documented in a public deed before a Notary Public when the goods transferred exceed MXN5,000.

The donations that include the donor's entire property will be null if the donor does not reserve in property or in usufruct ("*usufructo*" in Spanish) the minimum assets necessary to live.

Donations can only take place between living persons and cannot be revoked except in cases declared by law.

In addition, the MFCC establishes four types of donations:

1. Pure donation: is granted in absolute terms
2. Conditional donation: depends on the occurrence of an uncertain event
3. Onerous donation: imposes some encumbrances on the donee
4. Remunerative donation: is made in gratitude for services the donor receives but for which the donor is not obliged to pay

Under the Mexican Income Tax Law (MITL), donations are tax-exempt in the following cases:

- ▶ Between spouses or received by descendants from their lineal ascendants, whatever the amount of the donation
- ▶ Those received by ascendants from their direct descendants, provided that the assets received are not transferred or donated by the ascendant to another lineal descendant
- ▶ Other donations, provided that the total value of the donations received in a calendar year is no more than three times the annual general minimum wage in effect in the taxpayer's geographic area (MXN118,819 in 2024)¹

Income tax will be paid on the excess amount, if any.

The MITL states that Mexican resident individuals must report in their annual tax return loans, donations and prizes that, when valued separately or jointly, exceed MXN600,000. Loans and donations not declared or reported to the tax authorities will be considered as taxable income. Therefore, tax residents in Mexico must report the amount of donation as tax-exempt income. If this is not declared and the authorities detect the omission, the taxpayer loses the exemption.

1.3 Real estate transfer tax – ISAI (tax on acquisition of real estate property)

The tax is calculated by applying progressive tariffs to the total value of the building, as shown in the table below.

Rank	Lower limit (MXN)	Upper limit (MXN)	Fixed amount (MXN)	Index factor to be applied on the excess above the lower limit
A	0.12	123,988.81	300.60	0.01537
B	123,988.82	198,382.03	1,803.36	0.03272
C	198,382.04	297,572.76	3,723.46	0.04276
D	297,572.22	595,145.67	7,068.20	0.04988
E	595,145.68	1,487,864.15	18,774.71	0.05543
F	1,487,864.16	2,975,728.34	57,786.53	0.06054
G	2,975,728.35	5,732,476.11	128,817.18	0.06567

¹ From 2018, the Unidad de Medida y Actualización (UMA) replaced the use of the minimum wage for this purpose. The UMA's value for 2024 is set at MXN108.57.

Rank	Lower limit (MXN)	Upper limit (MXN)	Fixed amount (MXN)	Index factor to be applied on the excess above the lower limit
H	5,732,476.12	14,928,323.92	271,589.16	0.06829
I	14,928,323.93	27,529,938.63	766,209.23	0.06888
J	27,529,938.64	55,059,877.21	1,451,523.25	0.06950
K	55,059,877.22	And above	2,960,439.21	0.07551

Individuals and companies must pay a real estate transfer tax (ISAI) on the acquisition of real estate property (this includes any type of real estate, either land or buildings, as well as the rights related to them) in Mexico City or any other states. Acquisition means all acts by which the property is transmitted, including the donation, inheritance or contribution to any sort of association or corporation, among others.

In cases of acquisitions due to death, a rate of 0% of ISAI will be applied if:

- ▶ The value from the real estate property at the date of the award does not exceed the sum equivalent to 27,185 times the minimum general wage in force in Mexico City (MXN2,941,475 for 2024); this is the amount of the exemption.
- ▶ The real estate property is acknowledged as property of the spouse or direct descendant no later than the next five years of the event (decease).

The payment of the tax must be made by the legatee/heirs, via an official form, within the 15 following days of: (i) the adjudication of the decedent's estate, (ii) the transfer of the hereditary rights or (iii) the sale of the assets held by the succession to a third party. In the latter two cases, the tax is triggered when the corresponding transfer or sale take place, regardless of the tax that must be paid by the acquirer of the rights or assets. In cases when the legatee or heir passes away before formalizing a contract to sell off his or her inheritance, the tax burden due from the legatee/heir, as well as the tax due because of the sale of the estate, rests on the third party who is purchasing or acquiring the estate.

For acquisitions that are made in public writing, the notaries that by legal disposition have notarial functions will calculate the tax under their responsibility. They will declare in the offices authorized within the 15 working days following the date the acquisition becomes formalized in public deed.

If the acquisitions are formalized through a private document, it is the purchaser's responsibility to calculate the tax and pay for it. A declaration will be filed for all acquisitions even when there is no tax to pay. The tax is calculated by applying progressive tariffs to the total value of the building, as shown in the table below .

Rank	Lower limit (MXN)	Upper limit (MXN)	Fixed amount (MXN)	Index factor to be applied on the excess above the lower limit
A	0.12	123,988.81	300.60	0.01537
B	123,988.82	198,382.03	1,803.36	0.03272
C	198,382.04	297,572.76	3,723.46	0.04276
D	297,572.22	595,145.67	7,068.20	0.04988
E	595,145.68	1,487,864.15	18,774.71	0.05543
F	1,487,864.16	2,975,728.34	57,786.53	0.06054

Rank	Lower limit (MXN)	Upper limit (MXN)	Fixed amount (MXN)	Index factor to be applied on the excess above the lower limit
G	2,975,728.35	5,732,476.11	128,817.18	0.06567
H	5,732,476.12	14,928,323.92	271,589.16	0.06829
I	14,928,323.93	27,529,938.63	766,209.23	0.06888
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K	55,059,877.22	And above	2,960,439.21	0.07551

1.4 Endowment tax

There is no endowment tax in Mexico.

1.5 Transfer duty

There is no specific transfer duty in Mexico.

1.6 Net wealth tax

There is no net wealth tax in Mexico.

2. Who is liable?

According to the Civil Code, a testamentary or intestamentary succession occurs when the deceased has goods in his or her name for which an executor must be named. The executor will manage and divide the property of the deceased's estate and carry out the distribution of such property to the heirs. To facilitate the local procedures (such as payment of taxes and notifications to the local authorities), the executor should have a federal taxpayer identification number (Registro Federal de Contribuyentes, RFC) in Mexico and electronic signature (e.firma) in force.

The executor is responsible for filing the estate's tax returns until the assets are transferred to the beneficiaries.

2.1 Residency

2.1 Residency

In Mexico, residents are considered to be those who have established their home in Mexico. If individuals keep a home in another country, they are considered resident in Mexico if their center of vital interests is located in Mexico. An individual's center of vital interests is considered to be located in Mexico if at least one of the following circumstances is true:

- More than 50% of the individual's income in a calendar year is derived from Mexican sources
- Or
- The center of the individual's professional activities is located in Mexico

Legal entities are considered to be residents of Mexico when the principal administration of the business is located in Mexico.

In a succession, the legal representative in Mexico must fulfil the fiscal obligations of the deceased according to his or her tax residence status.

3. Rates

Lifetime transfers

These transfers are considered tax-exempt income if the taxpayer declares them in the annual tax return.

Transfers on death

The legal representative of the succession shall make estimated tax payments and file the annual tax return, taking into account income and deductions.

Heirs and legatees may elect to include income corresponding to them from the estate in their gross income for the year. Likewise, they may credit the tax paid by the estate's legal representative in the same ratio of the estate's income that corresponds to them.

Once the estate is liquidated, the legal representative, the heirs or legatees that did not make the election referred to in the preceding paragraph may file an amended return for the five years preceding the year in which the liquidation took place, when applicable, in order to include in gross income the portion of the estate's income that corresponded to them on those years, and credit the portion of the tax paid each year by the estate's legal representative. Payment carried out in this form will be definitive, unless the heirs or legatees choose to accumulate the respective income that corresponds to them, in which case they will be able to credit the proportional part of the paid tax.

The income tax for fiscal year 2024 shall be calculated in accordance with the following schedule:

Tax rate schedule			
Lower limit (MXN)	Upper limit (MXN)	Fixed amount (MXN)	Amount to be applied on the excess above the lower limit (%)
0.01	8,952.49	0	1.92
8,952.50	75,984.55	171.88	6.40
75,984.56	133,536.07	4,461.94	10.88
133,536.08	155,229.80	10,723.55	16.00
155,229.81	185,852.57	14,194.54	17.92
185,852.58	374,837.88	19,682.13	21.36
374,837.89	590,795.99	60,049.40	23.52
590,796.00	1,127,926.84	110,842.74	30.00
1,127,926.85	1,503,902.46	271,981.99	32.00
1,503,902.47	4,511,707.37	392,294.17	34.00
4,511,707.38	And above	1,414,947.85	35.00

Date for payment of tax**Lifetime transfers**

Taxpayers should include transfers in their annual tax returns, which must be filed on 30 April.

Transfers on death

The representative should file a return, including income earned and received by the deceased from 1 January of the year of death up to the moment of his or her death, within 90 days after the designation.

When income accrued up to the moment of the person's death was not effectively received in life, it should be declared in the following year's annual tax return on 30 April.

4. Exemptions and reliefs

Income received for inheritance or bequests is tax-exempt, as long as notification is made in the annual tax return of the heirs. As mentioned before, if a foreign tax resident receives, due to inheritance, Mexican real estate or shares of Mexican entities, a 25% tax on the appraisal value of the assets will be applicable to the recipient.

The following exemptions may be applied for each item of income received after the liquidation of the succession.

Retirement, pensions, retirement insurance

The MITL establishes that there is no tax due for the following accounts if the daily amount does not exceed 15 times the annual general minimum wage (MXN594,095 in 2024) in effect in the taxpayer's geographic area:

- Retirement, pensions, retirement benefits (as annuities or other forms of retirement from the retirement insurance subaccount)
- The retirement, early retirement and old-age subaccount set forth in the Social Security Law
- The individual account of the Retirement Savings System set forth in the Law of the Government Workers' Social Security and Services Institute (Ley del Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado), in cases of disability, early retirement, old age, retirement or death

Income tax shall be paid on the excess amount. The transfer of these accounts to the heirs should also be considered as exempt income for income tax purposes.

Sales

The sale of a home is tax-free when the transferor demonstrates that he or she has not sold another home for which the exemption has been claimed during the three years immediately preceding the date of transfer, provided that the amount of the consideration received does not exceed 700,000 investment units (approximately MXN5.6 million in 2024) and the transfer is executed before a person with notarial functions. Gains shall be determined on the basis of the excess. The annual tax and estimated payment shall be calculated upon such gain and with consideration of the deductions in proportion to the ratio obtained by dividing the excess proceeds between the total consideration. The person with notarial functions shall calculate and make payment of the estimated tax, in accordance with the regulations.

For the sale of personal property other than shares, ownership interest, securities and investments secured by the taxpayer, if the difference between total sales and the acquisition cost of the assets sold exceeds three times the annual general minimum wage (MXN118,819 in 2024), taxes must be paid on the excess.

Shares sold or listed on a stock exchange

The tax exemption on gains derived from the sales of shares on Mexico's stock exchange has been repealed. Such exemption was granted to shareholders that held, either directly or through a group of related parties, less than 10% of the shares of the listed company, or even when they held greater amounts of stock or exercised control over the company and did not sell the related shares within a period of 24 months.

From 2014 and onward, a 10% tax is payable on the net gains derived from the sale of shares through Mexico's stock exchange. This tax is not creditable against the taxpayer's final tax liability determined in the annual income tax return. This new tax is applicable on (i) shares or securities that represent shares issued by Mexican companies sold through Mexico's Stock Exchange or shares issued by foreign entities listed in the SIC (Sistema Internacional de Cotizaciones), (ii) securities that represent stock indexes traded on Mexico's Stock Exchange or Mexican Derivatives Exchange, (iii) sale of shares or securities that represent those shares traded on foreign recognized markets of countries that have in place a tax treaty to avoid the double taxation with Mexico and (iv) derivative equity transactions referred to shares placed in Mexico's Stock Exchange or stock indexes that represent those shares, only if the transaction is carried out in Mexico's Stock Exchange, the Mexican Derivatives Exchange or in a foreign authorized market (at least five years of trading).

- ▶ The gain or loss will be determined by the broker by comparing the sales price (reduced by the commissions paid for the sale) with the average purchase price (added with the commissions paid for the purchase).
- ▶ The average purchase price and the losses incurred will be updated to reflect the inflation effects during the holding period.
- ▶ The 10% tax will be determined each tax year, adding the gains and subtracting the losses derived from the trading of each company's stock.
- ▶ In order to determine the purchase price of shares acquired before 1 January 2014, a transitional rule established that the taxpayer may opt to determine such price using the 22 closing prices listed during December 2013, or closing prices quoted during the previous six months in cases when the shares are not regularly traded.

5. Filing procedures

Once the process of succession ends, a notice of cancellation of the RFC by liquidation of the succession must be filed by the executor.

Regarding the decedent's obligation to file an annual tax return, the following shall apply.

- I. Within 90 days following the date when the executor is appointed, he or she shall file a return for income earned and received by the deceased from 1 January of the year of death up to the moment of his death, in order to pay the relevant tax.
- II. Income accrued up to the moment of the person's death that was not effectively received in life shall be subject to the following rules:

Salary income and rental income, as well as income from the provision of professional services, shall be exempt from payment of tax for the heirs or legatees, since such income is considered tax-exempt.

Taxpayers who in the fiscal year have obtained total income in excess of MXN500,000, including income on which income tax is not required to be paid and on which the definitive tax was paid, must declare all of their income in their annual tax return. Inheritance should be reported in the Mexican annual tax return for informative purposes only.

- b. Additional income (sale of goods, interest income, dividends, as well as income from entrepreneurial activities, except income prizes) may be considered income received by the deceased person and declared in terms of Section I above, or when the heirs or legatees elect to include such income in their income tax return and pay the corresponding tax.

6. Assessments and valuations

For Mexican tax purposes, assets are valued at the price that they would be reasonably expected to bring if sold in the open market.

For valuations to be considered effective (aside from a determination by the tax authority), they can only be authorized by the following:

1. Experts properly registered before the tax authority
2. Credit institutions
3. Civil or mercantile societies whose specific object is the accomplishment of valuations
4. Main directorate of real estate patrimony
5. Public broker

Experts properly registered before the tax authority will be independent. The main directorate of real estate patrimony and the public broker are the only ones who can conduct the evaluations under the direction of the civil or mercantile societies.

7. Trusts, foundations and private purpose funds

From an estate planning point of view, trusts are often used when making lifetime gifts so that the donor can place constraints on the donee. The trust can be constituted by means of the will, i.e., the goods will be contributed until the death of the testator, or can be contributed before his or her death so that he or she can begin to regulate all aspects of protection, guarantee and administration of the affected goods.

Types of Mexico trusts

Revocable trust

A revocable trust is one in which the trustee reserves the right to reacquire the assets from the fiduciary.

Irrevocable trust

An irrevocable trust is one in which the assets are transferred to the trust without the possibility of reacquiring them.

Creation of trusts and transfers of assets in a trust

The creation of an interest-in-possession trust or a discretionary trust, or the transfer of property into such a trust, is, generally speaking, a chargeable lifetime transfer. The key benefits of the testamentary trust are that it:

- Guarantees that the dispositions of the testator will be met
- Protects assets from unjust claims by a third party
- Can be formalized while the testator is still living
- Can ensure that the assets are safe until the established term ends
- Avoids conflicts between the heirs by stipulating to whom the inheritance belongs
- Grants legal security to legatees and executors

The administrator will determine if the activities carried out through the trust are entrepreneurial activities or non-entrepreneurial activities.

- Entrepreneurial activities are those in which the tax consequences of the activities and the fulfillment of the corresponding tax obligations will be done on behalf of the trustees. Cash or assets from the trust delivered by the trustee to the trust beneficiaries will be considered reimbursements of capital contributed until said capital has been recovered. In addition, these deliveries will decrease the balance of each of the individual capital contribution accounts maintained by the trustee for each beneficiary until the balance of each account has been exhausted.
- Non-entrepreneurial activity occurs if the passive income (i.e., interest, dividends, sale of shares, rental income) generated by the trust represents at least 90% of the total income, in which case the trust will be considered a pass-through vehicle. Therefore, each one of the trustees must determine the corresponding tax effect.²

² In regard to a trust that generates rental income, the administrator has to make quarterly payments.

Non-Mexican settlements

Trusts incorporated under Mexican legislation are subject to Mexican law regardless of the residence of the settlor at the time of their creation, or the *situs* of the assets held.

When a trust beneficiary is an individual who is a Mexican resident, the portion of the taxable income or tax profit stemming from the entrepreneurial activities conducted through the trust and corresponding to the individual in accordance with the agreement will be considered income from entrepreneurial activities.

Foreign resident trust beneficiaries are considered to have a permanent establishment in Mexico if they are trustees in a trust that is conducting entrepreneurial activities. These permanent establishments must file annual income tax returns for the portion of the taxable income or tax profit derived from said activities corresponding to them for the fiscal year.

Under the 2020 Mexican tax reform, Article 4-A of the MITL was introduced. This provision, effective 1 January 2021, sets forth that a trust incorporated under foreign laws will be considered as a tax resident in Mexico when its main administration or the effective place of management is located in the country. In that case, it will be subject to a 30% income tax on its worldwide income.

If the trust's main administration or effective place of management is located abroad, the trust will not be considered as a tax resident in Mexico and, consequently, will be taxed as a legal entity on their Mexican sourced income, in accordance with the provisions of Title V "of foreign residents with income from a source of wealth located in Mexican territory" of such MITL.

8. Grants

With regard to estate taxes, there are no specific rules in Mexico.

9. Life insurance

Income tax will not be due on amounts paid by insurance companies to the insured or beneficiaries for life insurance contracts when the premium was paid directly by the employer on behalf of its employees, and the benefits of the policy are paid only in the event of death, disablement, organ loss or disability of the employee, preventing him or her from performing a dependent service, in accordance with the social security laws. When a policy covers the death of the policyholder, the beneficiaries must be the spouse, the common-law spouse, or his or her lineal ascendants or descendants in order for the payments to be tax-exempt. It should be noted that the tax exemption will only be applicable when the insurance payment is made by insurance institutions incorporated under Mexican law that are authorized to organize and operate as such by the competent authorities.

No exemption will apply to amounts paid by insurance companies as dividends derived from the insurance policy.

10. Civil law on succession

10.1 Successions

Succession is generally restricted to the transfer of goods and property caused by the death of the testator and is therefore considered the equivalent of inheritance. From an objective perspective, we can identify inheritance as the aggregate of goods that are transferred to another person due to death and, from a legal perspective, the transfer of rights and obligations from one person to another due to death.

Succession includes all the rights and obligations of the *decedens* (the deceased) that were not extinguished with his or her death, as per the Federal Civil Code of Mexico.

Therefore, there are three types of succession:

1. Testamentary: determined by the personal will of the person behind the inheritance, the testator
2. Legitimate: the civil authority's application of the will that is presumed to be that of the person behind the inheritance
3. Mixed: this includes a combination of both types described above (i.e., part testamentary and part legitimate, or intestate), due to the person not disposing of all the rights and obligations within his or her legal sphere

10.2 Testamentary succession

A testament (or will) is defined as a personal, revocable and free legal act, through which a person with full legal capacity transmits his or her goods and rights and declares the fulfillment of obligations for after his or her death. Three basic elements must exist in a testamentary succession:

1. The right of the testator to dispose of his or her goods while alive
2. The duty of the testator to fulfill the obligations and duties owed to his or her family members
3. The obligation to fulfill any and all obligations that the testator might have with third parties and that are considered legal

Interpretation of the will is a special aspect of legal interpretation in general, which implies that the testament is never to be considered in isolated wording or terms, but as a single act of the author's will.

Any and all persons not precluded by law can become a testator; those precluded by law are persons younger than 16 years old, persons without full legal capacity or those who generally or incidentally are not in his or her full judgment capacity.

Any person of any age, individual or collective, can be designated as an heir, unless their legal capacity is lost by any of the causes mentioned in the law: lack of legal personality, having been sentenced for the commission of a crime, presuming alterations or influence on the free will of the testator, among others.

The testator can dispose of his or her goods in full (universal disposal) or in part (particular disposal). People who inherit the total rights and obligations of the testator are designated inheritor. Inheritors or heirs are expected to respond to any credits that the inheritance has due. For example, if the inheritor succeeds the testator by becoming the legal owner of all the properties of the latter but one of them is under a mortgage, the inheritor must pay for such obligation using the rest of the properties until the debt is covered, or until the value of the received properties can cover.

Legatees may inherit parts of the testator's rights and obligations. For example, the legatee can inherit a set of paintings or works of art and nothing else.

Testaments can be classified as ordinary and special. Ordinary testaments are granted under normal circumstances and are divided into open or public testament, simplified testament or handwritten.

Special testaments are granted in times and places where it is unusual or extraordinary to do so. They include private testament, military testament and maritime testament that can be granted in another country.

Each case's applicable conditions are subject to the local valid legislation of the state where the testament is executed.

10.3 Legitimate or intestate succession

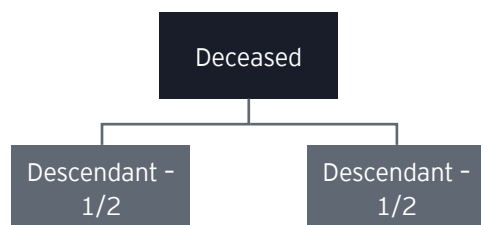
In the event an individual dies without leaving a will, or if there are assets that were not referred to in the will, the Civil Codes of each state contain the rules under which such assets shall be distributed. However, there are some general rules to follow:

The following persons possess the right to inherit:

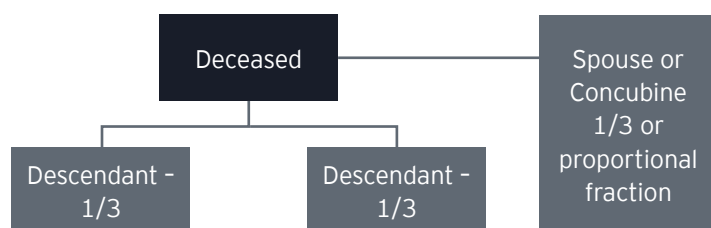
- Descendants, spouses or domestic partners
- Ancestors, in the absence of descendants, spouses or domestic partners
- In the absence of all of the aforementioned, collateral relatives up to fourth degree, with preference placed on brothers or, in the absence of these, relatives in increasing degree
- In the absence of these, public welfare

The specific rules bound by the criteria applicable to succession are noted in the charts below:

1. If only first-degree descendants

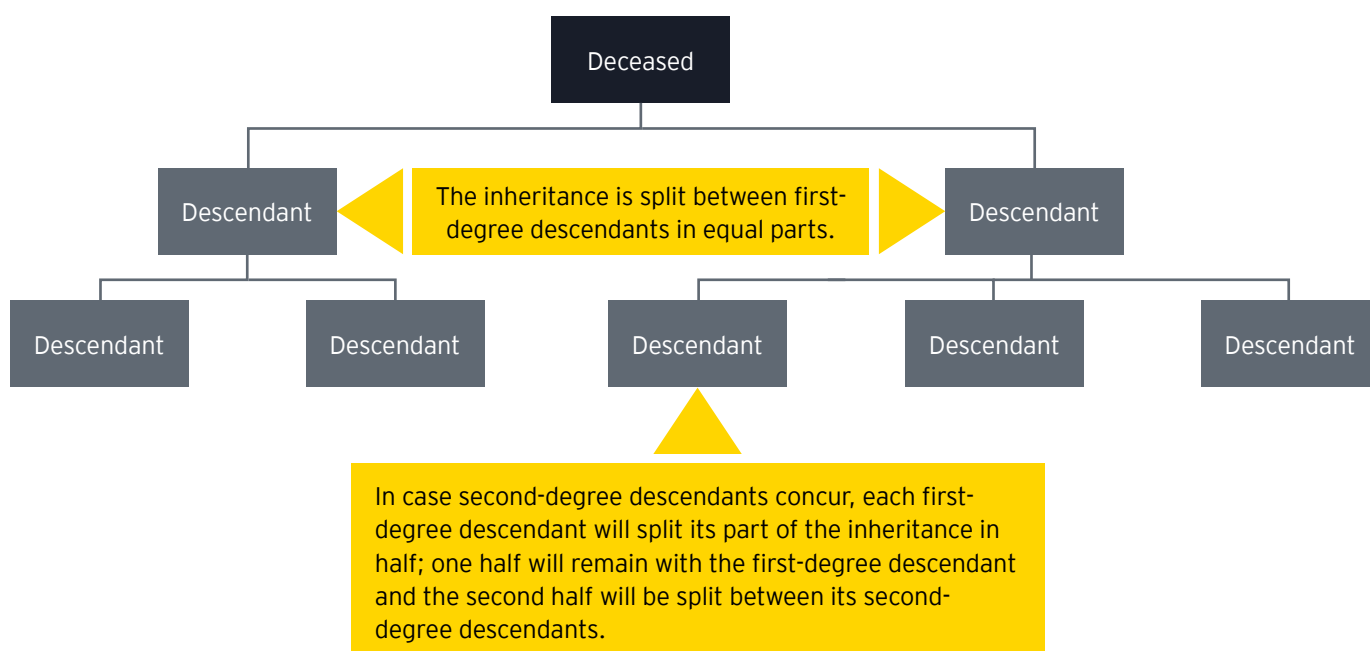


2. If spouse concurs with first-degree descendants

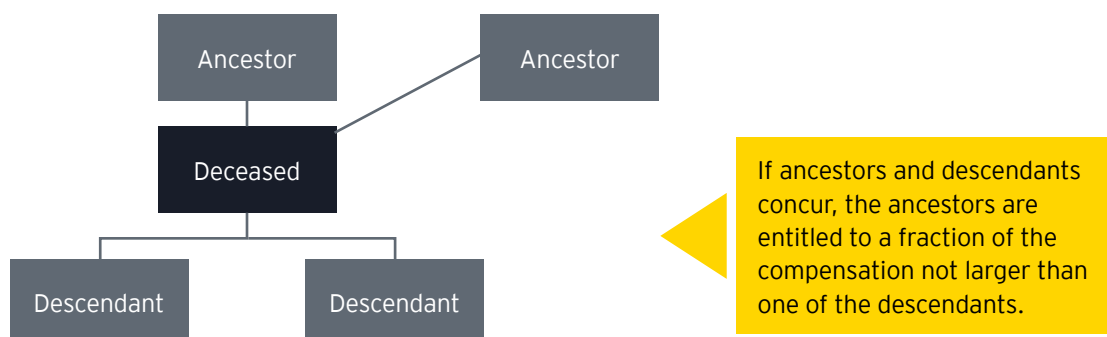


The surviving spouse, if concurrent with descendants, will be granted the rights of one of them, if such spouse does not possess any goods or properties or the ones possessed at the time of the death of the deceased do not match the portion that each child is entitled to.

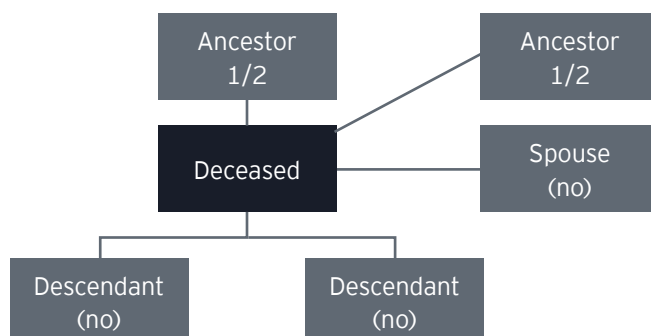
3. If first-degree descendants concur with second-degree descendants

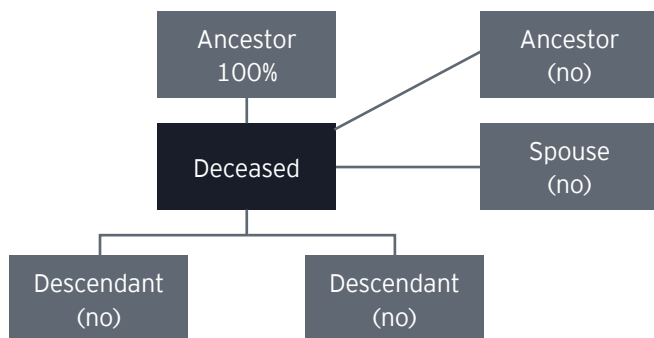
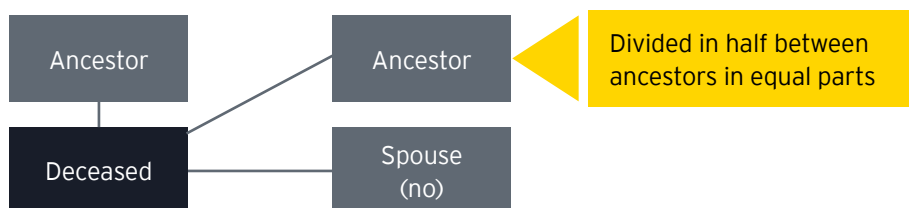
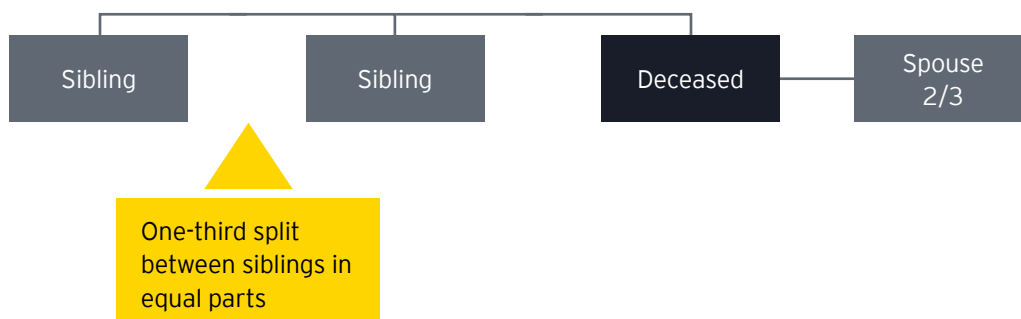


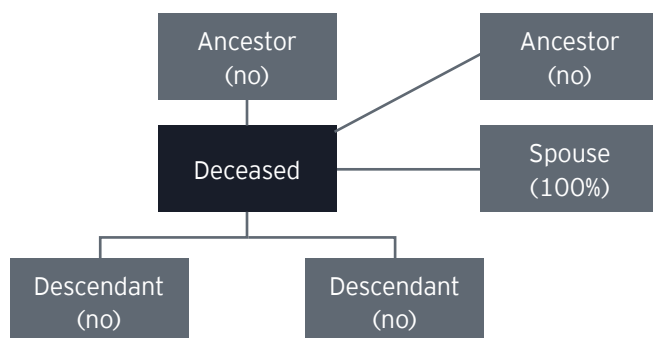
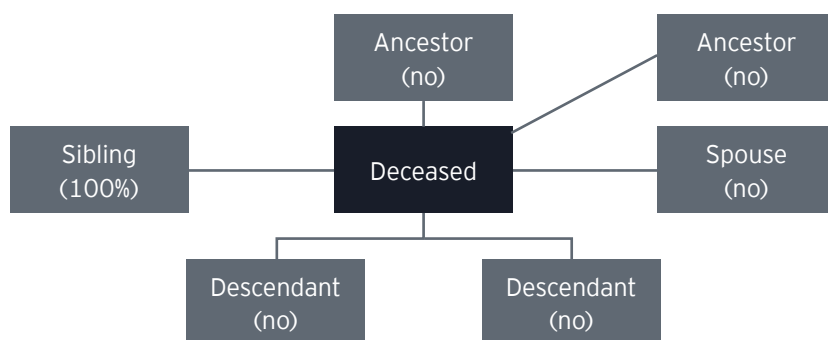
4. If first-degree descendants concur with ancestors



5. If only ancestors



6. If only ancestor**7. If ancestors concur with spouse****8. If spouse concurs with siblings**

9. If only spouse**10. If only siblings****11. Estate tax treaties****11.1 Unilateral rules**

Mexico does not have specific rules on tax credits or transfer of properties abroad.

11.2 Double taxation treaties

Mexico has not signed any gift or inheritance tax treaties.