

Mexico

Economic Package for 2024: Mexico Increases Withholding Tax Rate on Interest Paid by Financial Institutions

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Report from our correspondent Eduardo Orellana Polo, Mijares Angoitia Cortés y Fuentes, S.C. (Taxand Mexico)

Mexico has increased the withholding income tax rate applicable to interest payments made by financial institutions. According to the Federal Revenue Law for fiscal year 2024, effective from 1 January 2024, the withholding tax rate charged by financial institutions will be increased from 0.15% (rate applicable in 2023) to 0.50%.

The Federal Revenue Law for 2024 has been published, in general, as submitted by the Executive Branch with no amendments from Congress. Nonetheless, the Executive Branch had originally proposed a withholding income tax rate applicable to payments made by financial institutions of 1.48%, which was reduced by Congress to 0.50%.

The increase of the withholding tax rate on interest paid by financial institutions was established through the [Federal Revenue Law for 2024](#), published in the Official Gazette on 13 November 2023.

For previous reporting, see [Economic Package for 2024: Executive Branch Proposes Increasing Withholding Tax Rate on Interest Paid by Financial Institutions \(20 September 2023\)](#).

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