

Government Sets New Withholding Tax Rates on Income from Hydrocarbons, Mining Exports

7 March 2024

Report from our correspondent María Alejandra Muñoz, International Tax Lawyer, Bogotá

The government has introduced new income tax withholding and self-withholding rates applicable on hydrocarbon and mining income from 1 March 2024. The new rates are in line with the last tax reform (Law 2277 of 2022) which introduced an income tax surtax for these industries.

The most relevant changes on income tax withholding and self-withholding rates are as follows:

- Changes apply to withholding and self-withholding tax rates applicable to payments made in respect of:
 - exports of hydrocarbons: 3% (from 5.4%);
 - coal exports: 1% (from 5.4%); and
 - other mining products (including gold): 1%;
- Self withholding rates apply depending on the economic activity (CIIU code) and vary from 0.55% to 2.60% (previously from 0.55% to 4.5%);
- a self withholding rate of 0.55% is set for:
 - state gambling monopoly operators;
 - resident companies having as an economic activity the editing of scientific and cultural books and magazines; and
 - companies providing hotel services, amusement parks and eco-tourism services.

These rates have been introduced by [Decree 0242](#) of 29 February 2024, effective as from 1 March 2024.