



Informational Bulletin No. 22

Refund requests of tax advance for the 2015 tax year paid in 2014

Dear Clients,

We wish to remind you that we remain at your disposal to provide any information regarding the actions needed to request the return of the tax advance for the 2015 tax year (calculated and paid in 2014), taking into account that in light of the results for 2015, some of you will likely have an overpayment which may be subject to a refund.

The advance is a mechanism for administration and collection of the income tax for the following year. Hence, in principle it relates to a percentage (25%, 50% or 75%) that is applied over the amount calculated as net income tax due for the year or average net income tax for the last two years, as selected, from which the aggregate income tax withholdings made during the year is subtracted. Due to the above, advances can only be accounted in the tax return for the immediately following year.

Hence, it is likely that as a result of any revenue reduction, the expected results will not be achieved in 2015 and consequently the calculated advance may be greater than the actual tax determined for such tax period.

Accordingly, it is important to remind you that in exercise of the right to request a refund over any amount paid in excess of the portion corresponding to the advance, when such advance turns out to be greater than the actual tax accrued, you may request such refund. The time to do so will be from 2016 after filing the income tax return for 2015. Our team is ready to assist you in this regard before the Tax Authority.

We hope the above information proves to be useful. We remain at your disposal to provide any additional information you may require on this matter.

Sincerely yours,

SANCLEMENTE FERNÁNDEZ ABOGADOS
Tax Department

Should you require any additional information, please contact:

María Fernanda Castillo
mcr@sfa.com.co



Pablo Fernández
pfb@sfa.com.co

Fredy Castano
fcr@sfa.com.co

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