

WORLD TRADE ORGANIZATION

S/C/N/109
6 October 1999

(99-4170)

Council for Trade in Services

Original: Spanish

NOTIFICATION PURSUANT TO ARTICLE III:3 OF THE GENERAL AGREEMENT ON TRADE IN SERVICES

The following notification has been received from the delegation of Guatemala.

1. Member notifying:

Ministry of the Economy of Guatemala

2. Notification under Article:

Article III, paragraph 3, of the General Agreement on Trade in Services

3. Date of entry into force:

1 January 1998

4. Agency responsible for the implementation and enforcement of the measure:

Ministry of Public Finance

5. Description of the measure:

The purpose of Decree No. 117-97 is to eliminate tax exemptions, exonerations and deductions in accordance with Article 171(a) of the Constitution of Guatemala.

It has become necessary, as part of the tax modernization and simplification process, to eliminate benefits in the form of tax exemptions, exonerations and deductions from certain laws, *inter alia*: the Organic Law of the Guatemalan Tourism Institute (Article 30(a), (b) and (c) of Decree 1701) and the National Touristic Development Law (Article 10 of Decree 25-74) in order to broaden the tax base and improve tax collection, with the sole exception of the provisions of the Constitution of the Republic.

6. Members affected:

None

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7. The texts are available from:

Directorate of International Trade Negotiations
Ministry of the Economy
8^a Av. 10-43 Zona 1
Guatemala, Guatemala, C.A.
