

Energy and Petroleum
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Energy and Petroleum

Through a Presidential Decree the provision on a payment basis of services executed or used in the country, including services coming from abroad, and contracted exclusively for the execution of the Minimum Development Program derived from the general conditions of the License for Exploration and Exploitation of Non-associated Gaseous Hydrocarbons of the Patao and Mejillones Field in the Mariscal Sucre Area described in the Decree were exempted from payment of Value Added Tax. The maximum period of the exemption established in the Decree will be five (5) years as from the entry into force of the same. (Official Gazette of 02/05/2019. Decree No. 3.755. Entry into force: Upon publication in the Official Gazette).

Banking and Finance

The Venezuelan Central Bank ("BCV") established that as from 02/15/2019, the instruments that offer the prices of goods and services and those that reflect monetary amounts will cease to express such prices and amounts in both bolivars expressed in the monetary scale in effect until August 19, 2018 and bolivars expressed in the scale in effect as from August 20, 2018. The price of the goods and services and other monetary amounts must be expressed only in the monetary scale in effect as from August 20, 2018, indicating the word "bolívares" (bolivars) or the symbol "Bs." (Official Gazette of 02/15/2019. Resolution No. 19-02-01. Entry into force: February 15, 2019).

The VCB established the interest rates applicable to the obligations derived from employment relationships (22.40% and 18.45%). (Official Gazette

of 02/21/2019. Official Notice. Entry into force: Upon publication in the Official Gazette).

Tax

The National Integrated Service of Customs and Tax Administration (*Servicio Nacional Integrado de Administración Aduanera y Tributaria* - SENIAT) established the rate applicable to the calculation of late payment interest accrued during December 2018. It was established that the weighted average interest rate for loans of the six (6) principal commercial and universal banks of the country with the highest volume of deposits, excluding portfolios with prime rates, set by the VCB for December 2018 is 23.96% which rate is to be increased 1.2 times for the calculation of late payment interest accrued during December 2018. (Official Gazette of 02/08/2019. Administrative Ruling No. SNAT/2019/00034).

Exchange Control

The Ministry of the Popular Power for Economy and Finance and the VCB informed authorized exchange operators and the general public 1) the maximum annual amount that may be acquired through the transactions referred to in Section II of Chapter II of Exchange Agreement No. 1 of 08/21/2018; 2) the maximum amounts for the transactions of retail sale of foreign currency that, per client, may be made by universal banks, according to the aforesaid Section II of Chapter II of Exchange Agreement No. 1; 3) the minimum amounts for transactions of retail sale of foreign currency that, per client, may be made by universal banks according to the aforesaid Section II, 4) the maximum amounts of the transactions of retail sale of foreign currency that, per client, may be made by exchange offices according to said Section II. The

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VCB may modify the aforesaid limits when it deems it pertinent. (Official Gazette of 02/06/2019. Official Notice).

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The National Superintendence of Cryptoassets and Connected Activities issued a Ruling that regulates the Integral Registry of Services in Cryptoassets (*Registro Integral de Servicios en Criptoactivos* – RISEC). The purpose of said Ruling is to establish the regulation of the subjects, principles, and formalities that are applicable for purposes of the functionality of the RISEC. The RISEC is created in order to digitally systematize the information related to the identity and other data of the users of the Integral System of Cryptoassets and connected activities. It will be entrusted to the National Superintendence of Cryptoassets and Connected Activities (*Superintendencia Nacional de Criptoactivos y Actividades Conexas* – SUNACRIP), (Official Gazette of 02/04/2019. Ruling No. 008-2019. Entry into force: Upon publication in the Official Gazette).

The National Superintendence of Cryptoassets and Connected Activities issued the Ruling applicable to the Processing of Remittances in Cryptoassets in the Bolivarian Republic of Venezuela. Said Ruling establishes the requirements and formalities for remittances in Cryptoassets to be sent to and received by natural persons in the territory of the Bolivarian Republic of Venezuela. (Official Gazette of 02/07/2019. Administrative Ruling No. 009-2019. Entry into force: Upon publication in the Official Gazette).

The Ministry of Internal Affairs, Justice, and Peace issued a Resolution containing the Rules for Administration and Mitigation of Risks Related to Money Laundering and Terrorism Financing that are applicable to the Registry and Notary Public's Offices of the country. The purpose of the Resolution is to

establish the rules and procedures to be implemented by registry and notary public's offices, as obligated entities, in order to prevent the registration or authentication of acts or legal transactions intended for money laundering, terrorism financing or for the commission of other acts of organized crime. (Official Gazette of 02/07/2019. Resolución No. 008. It repeals Resolution No. 150, published in Official Gazette of 06/16/2011. Entry into force: Upon publication in the Official Gazette).

The National Commission of Casinos, Bingo Halls, and Slot Machines issued an Administrative Ruling that establishes the Rules for Prevention, Control, and Monitoring of the Crimes of Money Laundering and Terrorism Financing to be implemented by Casinos and Bingo Halls. The purpose of said Ruling is to establish the rules, general procedures and mechanisms that casinos and bingo halls must apply in order to prevent the commission of money laundering and terrorism financing crimes during the performance of their activity. (Official Gazette of 02/07/2019. Administrative Ruling No. DE-19-01. It repeals Administrative Ruling No. DE-11-011, published in Official Gazette of 04/12/2011. Entry into force: Upon publication in the Official Gazette).

The National Institute of Ground Transportation extended for four (4) months Administrative Ruling No. 028/2018, published in Official Gazette of 08/28/2018 (already extended as evidenced from Administrative Ruling published in Official Gazette of 11/27/2018), which established on a temporary basis the special procedure for carrying out the registration with the Registry of the Ground Transportation National System, solely in the cases in which the owners of the motor vehicles do not meet all the requirements prescribed in the Law of Transportation and its Regulations in order to evidence in an authentic manner the ownership of the vehicle before the Institute. (Official Gazette of 02/15/2019. Administrative Ruling No. 002-2019. Effectiveness: From 02/28/2019 up to and including 06/28/2019).

Firm

Areas of Practice

Members

Offices

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The National Institute of Civil Aeronautics (*Instituto Nacional de Aeronáutica Civil* - INAC) decided to commence the process of review, verification, and validation of the aeronautical licenses, confirmations, authorizations, and aeronautical medical certificates from the INAC. Said process will last for 12 months as from March 25, 2019 to March 25, 2020. (Official

Gazette of 02/27/2019. Entry into force: March 18, 2019).

Caracas, March 1, 2019.

NOTE: THIS NEWSLETTER SHOULD NOT BE CONSTRUED AS LEGAL ADVICE ON ANY SPECIFIC MATTER AND ITS CONTENT ARE INTENDED AS A MANAGEMENT ALERT AS TO CURRENT DEVELOPMENTS IN VENEZUELA, ANY SPECIFIC LEGAL QUESTIONS REGARDING THE POSSIBLE APPLICATION OF NEW OR PROPOSED LEGISLATION TO PARTICULAR SITUATIONS SHOULD BE ADDRESSED TO TRAVIESO EVANS ARRIA RENGEL & PAZ.