

IMPUESTO SOBRE LAS VENTAS (IVA/VAT) RETURN FOR FOREIGN SUPPLIERS OF SERVICES

These instructions are a general guideline for the filing of this return and do not exempt the taxpayer from the obligation to apply, in each particular case, the legal rules that regulate the Colombian Impuesto Sobre las Ventas (IVA/VAT).

If you need to file an amendment for any information contained in your initial return, you must complete all the fields in a new return which will replace the previous one. All fields reflecting values in Colombian pesos (COP), must be completed and rounded to the nearest thousand (1000). The fields reflecting values in US Dollars (USD) must be rounded to two decimal places.

- 1. Year:** corresponds to the year in which the taxpayer is obliged to file the tax return. It consists of four digits.
- 3. Period:** use one form per taxable period. Include the corresponding code of the tax return, according to the following table:

01 January - February	02 March - April	03 May - June
04 July - August	05 September - October	06 November - December
- 4. Return reference number:** space provided for the unique number assigned automatically by the Colombian Tax and Customs Administration (DIAN) to each of the returns when using the DIAN filing service.
Note: remember that you CANNOT print blank forms from the DIAN website to be filled out later. Photocopied forms should also not be used. In these cases, or when unofficial forms are used, the DIAN reserves the right to assign a number that makes the respective form unique.

TAXPAYER INFORMATION

- 5. Tax Identification Number (NIT):** write the Colombian Tax Identification Number assigned to the taxpayer by the DIAN, without the verification (last) digit, as it appears in field 5 of the main sheet of the taxpayer's updated Colombian Tax Registry (Registro Único Tributario - RUT). Do not use periods, hyphens or letters.
- 6. Verification Digit (DV):** write the last number in the Tax Identification Number (NIT), which is separated by a hyphen, called "Dígito de Verificación" (DV), as it appears in field 6 of the main sheet of the taxpayer's updated RUT.
- 7. First surname:** if you are an individual, write your first surname (father's last name) as it appears on your identification document, this surname must correspond to the one registered in field 31 of the main sheet of your updated RUT. If the surname does not correspond to the one registered, update the RUT before filing the return.
- 8. Second surname:** if you are an individual, write your second surname (mother's last name) as it appears on your identification document, this surname must correspond to the one registered in field 32 of the main sheet of your updated RUT. If the surname does not correspond to the one registered, update the RUT before filing the return.
- 9. First name:** if you are an individual, write your first name as it appears on your identification document, this name must correspond to the one registered in field 33 of the main sheet of your updated RUT. If the name does not correspond to the one registered, update the RUT before filing the return.
- 10. Other names:** if you are an individual, write your middle name (or other names) as they appear on your identification document, these names must correspond to those registered in field 34 of the main sheet of your updated RUT. If these names do not correspond to the ones registered, update the RUT before filing the return.
- 11. Company name:** if you represent a company or an entity that is treated as a company for Colombian tax purposes, write the complete company or entity name; this name must correspond to the one registered in field 35 of the main sheet of the taxpayer's updated RUT. If the name does not correspond to the one registered, update the RUT before filing the return. This field should be left blank if the taxpayer is an individual.
- 12. Local Office Code:** the automatic filing service will include the information registered in field 12 of the main sheet of your updated RUT.

If you are filing an amendment, please indicate:

- 24. Code:** the automatic filing service will assign the code "1" if it is an amendment to a prior private return.
- 25. Previous return reference number:** if you are amending a return from a given taxable period, the filing service will automatically fill in the 13 digits that appear in field 4 of the return that is being amended.
- 26. Settlement currency:** select the currency in which you will make the settlement of this return. Keep in mind that you must select one of the following two options and that the service will convert automatically the values into the other currency for purposes of filling out the proper column:
COP = When the values are provided in Colombian pesos
USD = When the values are provided in US dollars
- 27. TRM:** Corresponds to the official exchange rate to convert US dollars into Colombian pesos. the automatic filing service will provide the official exchange rate - TRM in force the day the return is presented.

INCOME SECTION – USD Values

The values registered in this column correspond to US dollars. The Values must be rounded to two decimal places.

If the information was initially included in Colombian pesos (fields 36 to 43), the values corresponding to the fields 28 to 35 will be included automatically converting the COP values into US Dollars, using the TRM of field 27.

- 28. Transactions taxed with the general rate:** write in this field the value of the gross income derived from transactions related to the foreign supply of services, subject to the general VAT rate of 19%, that were made during the tax return period.
- 29. Refunds for cancelled, rescinded or settled services:** write in this field the values corresponding to the gross value of any refunds made to customers during the tax period being filed, corresponding to services related to the tax period being filed or previous ones, as well as the amount attributable to cancelled, rescinded or settled transactions. The values should not include the corresponding VAT.

- 30. Total net income received during the period:** write in this field the result of subtracting the amount included in field 29 (refunds for cancelled, rescinded or settled services) from the amount included in field 28 (transactions taxed with the general rate).

PRIVATE SETTLEMENT SECTION – USD Values

- 31. Tax due:** it is the result of applying the general VAT rate (19%) to the value of field 28.
- 32. VAT resulting from cancelled, rescinded or settled services:** write in this field the value of VAT refunded during the period due to the cancellation, rescission or settlement of the foreign supply of services, which were taxed in Colombia. For these purposes, determine the value by applying the corresponding tax rate to the amount of cancelled, rescinded or settled transactions. If there were no cancelled, rescinded or settled operations, write zero (0). When the VAT resulting from cancelled, rescinded or settled services is greater than the value of the tax due (field 31), write the same value of field 31.
- 33. Outstanding balance for the tax period:** this field is the result of subtracting field 32 (VAT resulting from cancelled, rescinded or settled services) from field 31 (Tax due).
- 34. Penalties:** write in this field the total value of any penalties due at the time of filing this return. Remember that the penalty to be included cannot be less than the minimum penalty, equivalent to 10 Colombian Tax Value Units (UVT), converted into US dollars using the TRM of field 27.
- 35. Outstanding balance:** this is the result of adding field 33 (outstanding balance for the tax period) and field 34 (penalties).

INCOME SECTION – COP Values

The values registered in this column correspond to Colombian pesos.

If the information was initially included in USD (fields 28 to 35), the values corresponding to the fields 36 to 43 will be included automatically converting the USD values into Colombian pesos, using the TRM of field 27, and rounding the result to the nearest thousand (1000).

- 36. Transactions taxed with the general rate:** write in this field the value of the gross income derived from transactions related to the foreign supply of services, subject to the general VAT rate of 19%, that were made during the tax return period.
- 37. Refunds for cancelled, rescinded or settled services:** write in this field the values corresponding to the gross value of any refunds made to customers during the period being filed, corresponding to services related to the tax period being filed or previous ones, as well as the amount attributable to cancelled, rescinded or settled transactions. The values should not include the corresponding VAT.
- 38. Total net income received during the period:** write in this field the result of subtracting the amount included in field 37 (refunds for cancelled, rescinded or settled services) from the amount included in field 36 (transactions taxed with the general rate).

PRIVATE SETTLEMENT SECTION – COP Values

- 39. Tax due:** It is the result of applying the general VAT rate (19%) to the value of field 36.
- 40. VAT resulting from cancelled, rescinded or settled services:** write in this field the value of VAT refunded during the period due to the cancellation, rescission or settlement of the foreign supply of services, which were taxed in Colombia. For these purposes, determine the value by applying the corresponding tax rate to the amount of cancelled, rescinded or settled transactions. If there were no cancelled, rescinded or settled operations, write zero (0). When the VAT resulting from cancelled, rescinded or settled services is greater than the value of the tax due (field 39), write the same value of field 39.
- 41. Outstanding balance for the tax period:** this field is the result of subtracting field 40 (VAT resulting from cancelled, rescinded or settled services) from field 39 (Tax due).
- 42. Penalties:** write in this field the total value of any penalties due at the time of filing this return. Remember that the penalty to be included cannot be less than the minimum sanction, equivalent to 10 Colombian Tax Value Units (UVT).
- 43. Outstanding balance:** this is the result of adding field 41 (outstanding balance for the tax period) and field 42 (penalties).

SIGNATORY

- 44. Signatory Identification Number:** if you are signing as a representative of a legal person or an individual (for example, through a general power of attorney (POA)), you must be registered as such in the RUT. Please write the Tax Identification Number (NIT) assigned by the DIAN for this purpose, field 5 of the main sheet, without the verification digit. Do not use periods, hyphens or letters.

- 45. Verification Digit (DV):** corresponds to the "Dígito de Verificación" (DV) that appears in field 6 of the main sheet of the RUT.

SIGNATURES SECTION

Taxpayer or representative signature: Field provided for the signature of the taxpayer or its representative.

- 981. Representation code:** write in this field the code that corresponds to the representation type of whoever signs as representative of the taxpayer, in accordance with field 98 of the taxpayer's RUT.
- 996. For the internal number of the DIAN / Adhesive:** Field reserved for the exclusive use of DIAN.
- 997. Field for DIAN use only:** Field reserved for the exclusive use of DIAN.