



# Doing business in Panama

2019



## Country Overview

Panama is located in Central America, between Colombia and Costa Rica. Panama is the commercial bridge between Central/North America and South America - it's the land that links the Pacific Ocean and the Caribbean Sea and an open door for international trade. Panama is truly the crossroads of the world.

## Economic Overview

With the help of trade liberalization policies of successive governments, Panama's economy has been expanding rapidly since 2003. The country

maintained its growth even during the downturn of 2008–2009, although at a slower rate, and the pace is likely to speed up as the global recovery continues. There are numerous reasons for the country's economic vigor. It's a democratic country, with one of the most stable and modern governments in Latin America. The Panama Canal has made it a key trade and logistics hub for the Americas, and it has consequently become a major banking and services center. The government is enthusiastic about developing hemispheric free trade agreements (FTA s).

The preliminary statistics compiled by the General Comptroller's Office in the first trimester of 2017 report that Panama has a low unemployment level of 5.6%. On the other hand, it also disclosed that the inflation rate reached an all-time low of 0.2% in 2017. The International Monetary Fund (IMF) predicts a strong economic performance in part due to the operations of the expanded Panama Canal, which are expected to boost the economy during the next years. As a result of the aforementioned conditions, Panama has received investment grade ratings with stable outlooks by major sovereign debt credit rating agencies.

Much of Panama's development is being driven by the 2014–2019 Government Strategic Plan, which forecasts expenditures of more than US\$13 billion across a wide range of sectors. The document outlines most of the government's social and economic strategies, financial plans and public investment intentions. The major areas of activity are:

- Social programs worth US\$3.8 billion, including the Metro de Panama project, low-income housing
- New schools and hospitals, water and sewage systems, and national Internet access
- Infrastructure investments of US\$5.8 billion for facilities such as irrigation systems, cold chain
- Development, roads and airports
- General programs worth US\$4 billion, including educational and professional development
- Environmental projects and agricultural stimulus packages.

## Panama's Competitive Advantages

Panama's geographic position and its vocation of service are factors that come together to facilitate business and broaden success opportunities. Panama is the first option for multinational companies for its extraordinary advantages and its favorable business environment, ideal to expand operations toward the rest of America and the world.

Panama stands out in continental connectivity, with 7 submarine fiber optic cables that converge in the country and provide virtually unlimited band-width, connecting all the countries in America and beyond.

The vibrant Panamanian economy creates a dynamic environment, ideal for family life, labor and entertainment. Panama is a demilitarized country, it does not have an army, with a strong culture of peace and respect for human rights. Throughout its history, groups from different parts of the world made Panama their home and contributed to the building of a nation that receives the foreigner with a smile and takes him in as its own, engulfing him in a happy, friendly world.

## Competitiveness Report

The Global Competitiveness Report 2016-2017 by the World Economic Forum (WEF) assesses the competitiveness landscape of 138 economies, providing insight into the drivers of their productivity and prosperity. This Report contributes to an understanding of the key factors that determine economic growth, helps to explain why some countries are more successful than others in raising income levels and providing opportunities for their respective populations and offers policymakers and business leaders an important tool for formulating improved economic policies and institutional reforms. Panama ranks 42 out of 138 countries, with a score of 4.51; an increase from the previous score of 4.38 and a previous rank of 50 out of 140 countries in 2015-2016 Report.





# 01

## Starting a business

### Types of Business Entities

#### Corporation (Sociedad Anónima, S.A.)

It can be set up by two or more people of any nationality, neither of whom needs to be resident in Panama. Ownership of a Panamanian corporation may reside in a single individual or in another corporation. To set up an S.A., you have to create the articles of incorporation that describe the organization of your Panamanian business and then file them with the Public Registry.

Your company must have some authorized capital, in the form of a sum of money of any currency, divided into shares. However, there is no minimum required capital, nor is there a minimum number of shareholders. As for company officers, you will need at least a president, a secretary and a treasurer. You don't have to open a physical office for your corporation in Panama itself, but you do have to retain a resident agent in Panama, who must be a lawyer or a legal firm. The agent will file your corporate documents with the Public Registry and will also pay your annual franchise tax, which is US\$250 in the case of a corporation for the first year and US\$300 thereafter.

This process takes between 3 and 5 days. After that, you are ready to operate.

#### Limited Liability Company (Sociedad de Responsabilidad Limitada)

A 'Sociedad de Responsabilidad Limitada' (S. de R.L.) is the Panamanian version of a limited liability company (LLC). As with an S.A., two or more people can set one up, and they don't have to be Panamanian or be resident in Panama. The capital requirements of the company are very similar to those of an S.A. The economic liability of each partner for the obligations of the company is limited to the amount of their participation. As with an S.A., you set up an S. de R.L. by executing an incorporation agreement and filing it at the Public Registry.

#### Partnerships

There are several types of partnerships, including general partnerships, limited partnerships, joint stock partnerships and limited-liability partnerships. They are distinguished mainly by the allocation of liability and the organization of their capital.

#### Joint ventures

Joint ventures (JVs) are temporary alliances set up to carry out a specific contract, without incorporating or forming a legal partnership. Usually, they endure only until the project or contract is completed. For the protection of all parties, JV agreements should specify exactly how the venture is to be structured and operated, and precisely how any intellectual property rights are shared and controlled.





# 02

## Business Opportunities

### Logistics

Panama has the largest merchandise redistribution free zone in the Western Hemisphere the Colon Free Trade Zone, as well as the Panama Pacífico Special Economic Area (Área Económica Especial Panamá Pacífico), an area reserved for the production of high technology services as well the import, export and re-export of merchandise and other goods. Another recently added Special Economic Area is Vaguil S.A., also known as the World Jewelry Hub, the only one in Latin America for the exchange of diamonds and gems.

The Panama Canal is the principal component of the logistical hub that also contains a system of container terminals between the Pacific and the Caribbean, supported by the interoceanic railway, a maritime hub with ports on both the Atlantic and the Pacific Coasts, and an International Air Transportation Platform. Panama's geographical position enables it to offer a modern logistical platform via sea, land, and air to both domestic and foreign investors, which has been one of its most valuable assets, presently serving as a natural access center for the markets of over 3.5 billion people.

Before the Panama Canal Expansion, only 20% of sea traffic coming from Asia took the Canal, because it takes 21.6 days to complete the route; the rest went through the Suez Canal, to the US east coast, taking 21 days. The impact of having Post Panamax ships, which carry as much cargo as 16 trains, on commodities traffic is important. The Panama Canal Expansion project ended and started operations in late June 2016. The Expanded Panama Canal is expected to increase the overall transit to 42 vessels per day and 51 vessels per day in 2020, in order to handle the expected 8.4% yearly increase of containerized cargo commerce.

The Panamanian government is expected to continue to invest in the construction of a well-developed transportation and communication infrastructure.

### Financial Services

The Panamanian Financial Centre, consisting largely of banking services, accounting, insurance, and securities, is one of the key strategic areas of the country's economy. According to the statistics of the General Comptroller's Office, financial intermediation corresponded to 7.7% of 2016's GDP. In recent years, the regionalization of banking and insurance in Latin America has redefined the structure of the Panamanian Financial Centre, which seeks to expand and diversify its operations in the region.

For this reason, Panama is promoting open trade practices in the sector, in order to achieve greater access to other markets. Since 1904, Panama has used the US Dollar as its legal tender; thus, allowing it to enjoy low inflationary pressures and zero exchange risks for investors. Also, Panama does not have a Central Bank and enjoys international trustworthiness in its Banking System. The lack of a Central Bank means that there is no mandatory central currency. Therefore, technically, a business can be transacted in Euros, gold, silver, and other currencies. This has created a small but growing niche market for those interested in creating alternatives for businesses and savings accounts, and who do not want to use traditional currencies because of the threat of inflation. The aforementioned conditions have contributed to the development of the prestigious International Banking Center, made up of more than 90 financial institutions including banks with general licenses, with international licenses, and with representation offices.

Panama has subscribed with the US the "Agreement to Improve International Tax Compliance and to Implement the Foreign Account Tax Compliance Act (FATCA)", known as Intergovernmental Agreement or IGA Model 1. Furthermore, Panama has committed to subscribe to many other financial agreements with the Organization for Economic Cooperation and Development (OECD), in order to improve tax transparency to tax administrations overseas. In 2015, Panama enacted legislation to meet the current Financial Action Task Force on Money Laundering (FATF) Standards.







## Tourism

Tourism evolution in Panama has grown in the past 10 years reflecting an annual average growth rate of 18.9% and corresponding to 11.5% of 2015's GDP. Due to the increasing relevance that the tourist sector is achieving each year in Panama, the government, through its Tourism Authority (ATP for its acronym in Spanish), considers essential the implementation of a strategic framework for the continuing development of this sector. This instrument, known as the Sustainable Tourism Master Plan 2007-2020, is driven by both the government and private sector of Panama and is funded by the Inter-American Development Bank (IDB) with the support of the World Tourism Organization (UNWTO). The regulation of this sector is a necessary step that streamlines its development and allows the strengthening of tourist institutions.

The Tocumen International Airport is the best connected in Latin America. It has the highest number of direct international flights, connecting all of the major cities and capitals of the continent, reaching Europe and beyond. More than 132,000 annual direct flights depart from Tocumen International Airport to 90 destinations in 35 countries, including 16 cities in Canada and the United States and connecting key European destinations such as Germany, Spain, France, Italy and the Netherlands. The air terminal's modernization plan includes the construction of the new Terminal 2, which will begin operations in 2018.

## Mining and Oil Prospects

Mining, in the early 2010s, became one of the leading sectors of the Panamanian economy after a recording growth of 25%. Mining activity has grown at a yearly rate of 18% and the share of the national

GDP has reigned steady at approximately 2%. The Panamanian government announced that it has identified mineral reserves are valued at an estimated US\$200,000 million, according to 2016 prices. Copper mining still has a long-term potential because Panama has Cerro Colorado and Petaquilla, two of the largest untapped copper deposits in the world. Incidentally, there are around 152 nonmetallic mining permits that are active and 15 metallic mining permits projects approved. Cobra Panama, one of the world's largest open-pit copper mines, is under development by Minera Panamá, a subsidiary of Canadian based First Quantum Minerals.



# 03

## Special Economic Areas

Panama has established several free trade zones and special economic areas that have specific legislations designed to attract investors and businesses; hence, all the infrastructure, operational organization and administrative management have been designed so that companies from around the world can operate efficiently. Some of the activities allowed in these territories are the production of goods and services, the manufacture and assembly of semi-processed or finished goods, high technology, scientific research, higher education, and logistical, environmental, health and general service.

### The Colon Free Trade Zone

The Colon Free Trade Zone (CFZ) is the main distribution center of the hemisphere and the second largest in the world after Hong Kong. All routes in the world lead to the CFZ, which is located at the Caribbean entrance of the Panama Canal. It was established through Decree-Law No. 18 of 1948 and occupies more than 700 acres of businesses and warehouses.

It is important to emphasize, that income tax is not levied on services and products provided and/or sold overseas (external operations); however, it is levied on all services or products provided and/or sold within Panama

(internal operations). Among the services that are exempted are storage and warehouse, high technology, scientific research, higher education, health and environmental services. The Operation Notice Tax is levied at the reduced 0.5% rate of the resulting basis of assets minus liabilities, with a minimum payment of \$100.00 and a maximum payment of \$50,000.00. The main benefits of operating from the Colon Free Zone are:

- Tax exemption on imports, re-exports and manufacturing of goods
- Tax exemption on re-export incomes
- Tax exemption on invoicing
- Tax exemption on other national or provincial taxes
- The use of the US Dollar as legal currency
- Low cost on the rent of land, building or any required spaces
- It is allowed the establishment of companies with Licenses for Multinational Companies Headquarters (MHQ)
- It is allowed the establishment of Higher Education Center and Scientific Research Centers
- Automated trade operations
- Migratory facilities for foreign executives
- A large financial network of national and international banks
- Office of Intellectual Property and Systems for prevention of money-laundering
- Sale thru e-commerce
- Institution certified under ISO 9001: 2008

### Petroleum / Fuel Free Zones

Panama's original Petroleum Free Zones legislation was passed back in 1992. However, the global oil industry has changed dramatically in the last 25 years and important national factors have also changed, forcing the restructuring of the industry and thus requiring revised legislation. By enacting the Cabinet Decree No. 36 of 2003, Panama adopted a new National Policy on Hydrocarbons. This policy was designed to address those industry changes, develop the ground rules for a national petroleum policy and drive the development of the Petroleum Free Zones into the next stage. The new law amended the previous one, while at the same time, embraced many prior provisions, creating the legal framework necessary to advance the market liberalization of all petroleum-derived products and to offer new investment opportunities for local and foreign companies, who could now take advantage of the country's strategic geographical position.





# 04

## Immigration

Panamanian immigration law, Decree-Law No. 3 of 2008, classifies foreign nationals in four (4) general categories: non-residents, temporary residents, permanent residents, and foreigners under the protection of the Republic of Panama.

### Non-Residents

Foreigners who enter Panama on an occasional basis and who are unwilling to take up residency in this country or to abandon the residency in their country of origin. They must rely on their own economic resources to finance their stay in Panama, and to leave at the expiration of the authorized period. Tourists, transit passengers and sailors are included in this classification. All travelers who wish to enter Panama must carry the equivalent of US\$500 or a credit card, and a return ticket. The stay of foreigners, in any case, may not exceed 90 days.

If any foreigner wishes to initiate a procedure for obtaining a long-stay visa when in Panama, they may request an exceptional extension of 60 days by demonstrating to the immigration authorities, with supporting documentation, the seriousness of

their claim. Among the tourists, there are two classifications: All the types of visas for non-residents can be obtained through Panamanian Consulates, Embassies or directly at the National Migration Service. All foreign relevant documentation needed to apply for visas must be legalized by Apostille and translated into Spanish.

### Temporary Residents

Foreigners who come to Panama for a longer stay, but do not exceed six (6) years, due to work, exploration, family ties, study or religious reasons. Some of the professionally related permits are geared toward employees of multinational companies with a subsidiary in Panama, as part of the policy regarding headquarters of multinational companies;

Temporary residents also include students, church members and religious congregations. Moreover, spouses or family members not wishing to reside permanently can apply for a permit in this category.

All the types of permits for temporary resident can be obtained through

Panamanian Consulates, Embassies or directly at the National Immigration Service. All foreign relevant documentation needed to apply for permits must be legalized by Apostille and translated into Spanish.

### Permanent Residents

These are foreigners who come to Panama with the intention of staying permanently. The Executive Decree 320 of 2008 states that these permits may be acquired for economic reasons, due to special policies and for family reunification. In 2012, Executive Decree No. 343 was issued, declaring that citizens of 22 friendly nations could apply to become permanent residents in a fast track manner. Since then, other Decrees have increased the number of friendly nations to 50. The formal wording of this permanent residency permit is for "citizens of friendly nations with professional and economic ties with the Republic of Panama." This means that citizens of these countries must establish a professional or economic relationship with Panama. This can be accomplished by starting a new business or purchasing an existing business or being hired to work for a Panamanian company.





## Investor Permits & Visas

Investor Permits and Visas are regulated under multiple decrees. Requesting permission for a temporary or permanent residence must be done through a legal representative to the National Migration Service.

## Macro-Business Investor Visa

Requires a minimum investment of US\$160,000.00 in any new business or corporation. If the Investor has dependents, the investment amount must increase by US\$2,000.00 for each dependent. Additionally, a commercial business license and a social security registration are needed, and five Panamanian employees must be hired under the conditions aforementioned in the Small Investor Visa Program. After this 2-year temporary resident visa expires, the individual is granted a permanent residence permit.

## Economic Solvency Permanent Residence

For foreigners investing a minimum of US\$300,000.00 in real estate, in a fixed term deposit of a bank located in the country, or a combination of the previous options. The funds must come from abroad and for every dependent, the financial reliability must increase by US\$2,000.00 for each one.

## Reforestation Investor Visa

Achieved through a minimum investment of US\$80,000.00 in at least twenty hectares of a government certified reforestation project. For any additional dependents, an additional investment of US\$2,000.00 must be made.

## Free Trade Zones Investors Visa

For foreigners investing US\$250,000.00, with funds from abroad, in a duly authorized promoter or operator of a Free Trade Zone. After this 2-year temporary resident visa expires, the individual is granted a permanent residence permit.

## Call Center Investor Visa

For foreigners investing US\$250,000.00, with funds from abroad, in a duly authorized Call Center.

## Film and Audiovisual Industry Investor Visa

For foreigners that invest a minimum of US\$150,000.00, with funds from abroad, in the film industry.



The Labor Code of 1971 establishes the labor relationships, rights and duties of both employers and employees. It states that every employer can hire foreign workers if they meet a set of specific conditions. Panama restricts the hiring of foreign personnel.

Foreigners can be hired in a proportion that doesn't exceed 10% of the total workforce, while foreign specialists or technical workers can be hired as long as they do not exceed 15% of the total workforce.

The Law states that in some cases the Ministry of Labor and Employment Development (MITRADEL, by its Spanish acronym) will allow the hiring of a higher proportion of foreign

specialists or technical personnel, but only for a specified period of time and for specific cases.

When hiring foreign personnel, the employer will always need to get authorization from MITRADEL. This authorization will be restricted to the term of one year, renewable for a maximum of five years. The foreign employee's requisites are varied and depend on each specific case.

## 05 Labor regulations and laws





# 06

## Taxation

Panama follows the territoriality principle. This means that a company that is resident in Panama for tax purposes is liable to taxes on revenues considered to be Panamanian source income. Panamanian source income is generally defined as income arising from capital, assets or rights located, placed or economically used within the country. It also includes income obtained from commercial, industrial, mining, and similar activities in Panama, as well as income from personal services, professional or trading activities in Panama. Additionally, it includes income from loans, leases and rentals, regardless of the nationality, domicile or residence of the parties who develop the activities or the place where these are contracted or paid. A company is a Panamanian resident if it is incorporated in Panama and is duly registered in the Panamanian Companies Registrar.

### Major highlights of Panama's tax system

- The only income that is taxed is derived from within Panamanian operations.
- The sale of products or services to people, entities, or companies in Panama are considered as Panama source income and taxed.
- Income derived from the leasing or sale of Panama real estate is taxed.
- Commissions and interest earned from loans financing business in Panama are taxed.
- Call centers have a special law exempting their earnings from income tax.
- Trading companies which invoiced products which never enter Panama are not taxed.
- Companies in Panama who facilitate business activities conducted outside of Panama are not taxed.

The Panamanian corporate tax rate is 25%. For corporations with annual gross income exceeding US\$1,500,000.00, they shall calculate their annual income taxes by comparing the result of multiplying 1.16% by the total annual gross sales against the result of applying a 25% to annual profits. The greater of these two calculations will be your annual tax to pay.

Companies are required to submit an annual tax return within three months of the year-end for the accounting period not exceeding 12 months. Income tax and operations notice tax is payable at the same time in order to avoid interest charges for the late payment and withholding tax surcharges at 10%.

**Deductions:** Business expenses used to generate taxable income or to preserve the business are considered as deductible from income taxes and must be documented and are only allowed in the same year they occurred.

**Losses:** Losses can be carried forward 5 years as long as the loss doesn't exceed 20% of the total loss in any year and don't reduce current annual taxable income by 50%. Certain regulated industries such as mining have special loss schedules.

### Panama Commercial Permit Tax

All persons and entities engaging in business activities within the Republic of Panama must obtain a Panama Commercial Operation Permit (Aviso de Operación) which is issued by the Ministry of Commerce and Industry. The annual tax for the permit equals 2% of the company's net worth with a maximum payment of \$60,000 USD. Companies located in special economic or development zones or within free trade zones pay a special rate with a maximum payment of \$50,000 USD.

### Panama Sales Tax

The Panama Sales Tax is known as the ITBMS. This tax applies to imported goods, products sold or services rendered in Panama. The ITBMS tax is 7%. Higher rates exist for the sale of alcoholic beverages (10%), tobacco products (15%), and specific services such as lodging services (10%). Exceptions to paying this tax include free trade zone transactions, power generation & distribution services, cargo and passenger transportation by sea, air, or land. Most businesses pay this tax monthly.





## Importing Products into Panama

Products imported into Panama which are not exempt by law or by international trade agreements are subject to import tariffs and the ITBMS tax. The import tariffs differ by products and are set forth in a tariff line system.

## Panama Personal Income Tax

Individuals only pay income tax on the income generated in Panamanian territory. The annual tax rate on net income is as follows:

- Individuals who earn less than \$11,000 per year pay no income tax.
- Those earning between \$11,000 and \$50,000 pay a 15% Panama tax rate and
- Those earning \$50,000 or more pay a 25% rate.

Various Panamanian Personal Income Tax Deductions Include:

- Mortgage interest paid on the primary home can be deducted up to \$15,000 yearly.
- Student loans interest payments for the taxpayer's or dependents' education in Panama is fully deductible.
- Health insurance premiums are deductible.
- Contributions to private pension plans not exceeding 10% of the individual's gross yearly income to a maximum of \$15,000 yearly are deductible

**Foreign Residents:** Foreigners who reside in Panama for more than 183 days per year and earn income in Panama will be taxed at the same rate as nationals.

**Annual Returns:** Individuals must file their annual income tax return before March 15th. Individuals whose sole source of income is a single salary are exempt for having to file an income tax return as the employer withholds part of each payment for taxes.

**Interest Income Exemption:** Interest from savings and CD bank accounts from licensed Panama banks and Panama Credit Unions are exempt. Interest from debt securities registered with the Panama National Securities Commission and listed on the stock exchange are exempt. Non-resident financial institutions and lenders who receive interest and commissions paid by Panama banks or for the construction of public housing are also exempt from taxes in Panama.

## Panama Social Security Tax

Employers and employees pay social security taxes thru deductions from monthly payroll. Currently, employers pay 12.25% and the employee pays 9.75%.

Employers are required to withhold a percentage from each employee's pay for income tax and for social security tax. Failure to withhold and make payments to the Social Security

Office will result in surcharges, fines, and even criminal prosecution. There is also a professional risk premium paid to the Social Security Office corresponding to the perceived risk the work entails and is paid monthly by the employer. **Education Tax:** An additional 1.25% of an employee's gross wages are withheld for the education tax; employer pays 1.5%.

## Panama Capital Gains Tax

The Panama Capital Gains Tax rate differs by the type of property being transferred. Only properties located in Panama are subject to the capital gains tax. The standard rate is 10% of the realized gain from the sale.

## Transferring Shares of a Panamanian Corporation

Transfer of shares of a Panamanian corporation which obtains Panama source income must pay a 10% tax on its profits as a capital gains tax. It requires the buyer to withhold 5% of the transaction price for the tax officials within 10 days. This is considered an advance of the seller's capital gains tax. The seller can declare the 5% to be the total Panama capital gains tax or if the amount exceeds the normal 10% rate of the actual gain, the seller can claim a tax refund for the excess amount. A Panamanian entity whose exclusive income is obtained from non-Panama sources (outside of Panama) is exempt from the capital gains tax.





## Transferring Shares of a Panama Corporation via Stock Exchange

Transfer of shares from a Panama corporation that is registered with the Panama National Securities Commission through a licensed stock exchange are exempt from paying the capital gains tax even if the Panamanian corporation obtains Panama source income. Mergers and reorganization of Panama corporations registered with the Panama National Securities Commission and listed on the stock exchange involving the transfer of shares are also exempt from the Panama capital gains tax if they meet specific requirements.

## Panama Property Tax Law

Law 66 of 2017 effectively reduced Panama property tax rates, benefiting Panama property owners and investors. Panama has a "Progressive Combined Tax" (see table below). The new Tax Law No. 66 also enacted an exemption of property taxes on the initial US\$120,000.00 of the registered value if the property is considered Tributary Family Patrimony (TFP) or Primary Residence (PR).

As per Article 4 of the new law 66 of 2017, all new residential construction that is the purchasers main residence and is constituted as Tributary Family Patrimony or Primary Residency, and the registered cadastral value is between US\$120,000 to US\$300,000, shall be exempt from property taxes for a period of 3 years, as of the date of the issuance of the occupation permit or the date of inscription in the Public Registry, whatever happens first.

If a property qualifies as TFP or PR, then the annual property tax rate is only 0.5% for property values starting from US\$120,001 to \$250,000, while properties with values of \$250,001 and above pay a rate of 0.7%.

### Panama Property Tax Rates for Commercial and All Other Properties (not Residence)

The Panama property tax rates for all other properties, as of 1 January 2019 are:

Property Value	Property Tax Rate	Property Tax (Yearly)
Up To US\$30,000	Exempt (0%)	US\$0
US\$30,001 to US\$250,000	0.6%	US\$1,320
US\$250,001 to US\$500,000	0.8%	US\$2000
US\$500,001 or more	1%	320.40

### Retired Person Benefits

Any person who is retired or pensioned or is of legal age for retirement (57 years old for women and 62 years old for men) can enjoy the following benefits and discounts:

- 50% off entertainment including movies and theaters
- 25% off restaurants
- 15% off at fast food restaurants
- 50% off hotel accommodations from Monday-Thursday
- 30% off bus, boat and train fares
- 25% off domestic and international airline tickets
- 25% off electricity, water, and phone bills
- 10% off prescription medicines
- 15% off dental and eye exams
- 20% off laboratory tests
- 15% off hospital bills
- 50% off closing costs for home loans





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## MGI Montúfar & Asociados





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Eduardo Montúfar is the Managing Partner of MGI Montúfar & Asociados located in Panama City, Panama. Mr. Montúfar holds a B.Sc. and a Master's Degree in Accounting from Universidad Santa María la Antigua and an MBA in Taxation from UNESCPA University. He has more than 30 years of experience in accounting practice.

Mr. Montúfar is a fellow of the College of Chartered Accountants of Panama and an active member of the Panamanian Chamber of Commerce as well as of the Panamanian Association of Business Executives where he has held important leadership positions in several work commissions.

His main practice areas are in international taxation, corporate structuring, transfer pricing, and property tax.

He specializes in providing taxation advice on corporate transactions, with an emphasis on multinational operations. He has extensive experience in company restructuring.

He has worked extensively with foreign corporation looking to establish regional operations centers in Panama and throughout Central America.

Doing business in Panama