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5) Complimentary Law 5,172, of October 25th, 1966 – National Tax Code

CHAPTER II – Limitations on Tax Competency

SECCION I – General Dispositions

Art. 9. It is forbidden to the Union, States, Federal District and Municipalities:

I – to institute or increase taxes if there is no law establishing it, except for, concerning increasing, the provisions of articles 21, 26 and 65;

II – to charge tax over assets and income based on a law posterior to the initial date of the respective financial year;

III - to establish limitations to the traffic of persons or goods on national territory by means of interstate or inter-municipal taxes;

IV – to charge tax over:

a) assets, income or services from one another;

b) temples of any cult;

c) assets, income or services of political parties, including their foundations, worker unions, nonprofit institutions of education and social assistance, observed the requirements set out in Section II of this chapter; (Text included by Lcp 104/01)

d) paper exclusively used for printing newspapers, periodicals and books.

§1 The provisions of section IV do not preclude the imposition by law to the entities referred to therein, of the condition of liable for the taxes they fit withhold, and do not release them from performing acts provided by law that assure the fulfillment of tax obligations by third parties.

§2 The provisions of paragraph “a” of section IV shall apply exclusively to own services of public legal entities referred to in this article, and inherent to their purposes.

Art. 10. It is forbidden to the Union to institute a tax that is not uniform throughout the national territory and imply distinction or preference in favor of a particular State or Municipality.

SECCION II – Special Provisions

Art. 14. The provisions of paragraph “c”, section IV, of Article 9, are subject to compliance with the following requirements by the entities listed therein:

I - do not distribute any portion of its assets or its income at any title; (Text by Lcp 104/01)

II - fully invest its resources in the maintenance of its institutional objectives in the country

III – maintain bookkeeping of revenues and expenses on books meeting the formalities to ensure its accuracy.

§1 In case of no compliance with the provisions of this article, or §1° of Article 9, the competent authority may suspend the benefit.

§2 The services referred to in subparagraph “c”, section IV, of article 9, are exclusively those directly related to the institutional objectives of the entities mentioned in this article, as provided in their statutes or constitutive acts.