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01.

The General Agency for Internal Taxes announces the indexation of the specific amounts of the Excise Tax (ISC) for the April – June 2026 period

Through Resolution DDG-AR1-2026-00002, the General Agency for Internal Taxes (DGII) announced the indexation of specific amounts of the Excise Tax (ISC) applicable for April – June 2026.

The ISC amount on cigarettes is set at RD\$64.14 for packs of 20 units, and RD\$32.07 for packs of 10 units.

Likewise, the ISC amount applicable to alcoholic beverages is set at RD\$758.26.



Case Law

01.

Judgment No. 0030-02-2026-SEEN-00174 issued by the Superior Administrative Court (TSA)

Superior Administrative Court Judgment No. 0030-02-2026-SEEN-00174	
Background	<p>On March 19, the First Chamber of the Superior Administrative Court (TSA) ruled on a tax contentious-administrative action following a remand after cassation, concerning the refusal by the General Agency for Internal Taxes (DGII) to grant an exemption for income tax advance payments for fiscal years 2017 and 2018 to a taxpayer.</p> <p>The Supreme Court of Justice overturned the prior judgment on the grounds of distortion of the facts and ordered the TSA to conduct a new review focused on determining whether the taxpayer had timely submitted the documentation required under the Dominican Tax Code to justify the requested exemption.</p>
Arguments	<p>The taxpayer argued that it had effectively ceased operations, disposed of all its productive assets, and transferred its commercial contracts, and therefore did not generate taxable income during fiscal years 2017 and 2018. It further maintained that this situation had been properly disclosed and documented before the DGII at the time the advance tax exemption was requested, considering the administrative denial and the subsequent conversion of advance payments into tax liabilities subject to surcharges and interest to be arbitrary.</p> <p>Conversely, the DGII contended that the exemption from advance payments does not operate automatically, constitutes an exceptional tax benefit subject to strict evidentiary requirements, and that at the time of the original request and the reconsideration appeal, the taxpayer failed to submit sufficient documentation demonstrating an inability to pay due to force majeure circumstances. Accordingly, the DGII requested the dismissal of the action and, alternatively, the referral of the case back to the tax administration for reconsideration considering the documents submitted during judicial proceedings.</p>
Decision of the Superior Administrative Court (TSA)	<p>In its ruling, the TSA held that although the tax administration enjoys discretionary authority when assessing requests for advance tax exemptions, such discretion may not be exercised arbitrarily. After reviewing the case file, the Court decided that the taxpayer had provided sufficient evidence to demonstrate the cessation of operations, a complete loss of taxable income, and the extinction of the source of taxable income, thereby satisfying the requirements set forth in the Dominican Tax Code.</p> <p>Accordingly, the TSA granted the action, overturned the reconsideration resolution, and ordered the DGII to grant the advance income tax exemption for fiscal years 2017 and 2018, as well as to eliminate any liabilities arising from the initial denial, including late payment interest and surcharges.</p> <p>This decision reaffirms that requests for advance tax exemptions must be subject to a reasonable and comprehensive assessment by the DGII, and that a substantiated cessation of operations constitutes a valid and sufficient ground to access this tax relief. It also provides further guidance on the limits of administrative discretion and the duty to adequately state reasons in tax matters.</p>

02.

Judgment No. 0030-02-2026-SSEN-00139 issued by the Superior Administrative Court (TSA)

Superior Administrative Court Judgment No. 0030-02-2026-SSEN-00139	
Background	<p>On March 12 of the current year, the First Chamber of the Superior Administrative Court (TSA) ruled on a tax contentious-administrative action requesting the declaration that certain tax liabilities were barred by the statute of limitations, filed by a commercial entity against the General Agency for Internal Taxes (DGII). One of the central issues in the proceeding was whether the action was admissible in the absence of a formal administrative act expressly granting or denying the application of the statute of limitations requested by the taxpayer.</p>
Arguments	<p>The DGII raised several pleas of inadmissibility, arguing primarily that the action should be dismissed due to the lack of a formal administrative act subject to judicial review. Additionally, it alleged the existence of res judicata, lack of standing or interest, and violation of the statutory limitation period.</p> <p>Conversely, the taxpayer argued that the Administration's failure to issue an express decision amounted to unlawful administrative inaction, which could not prevent access to the courts or the exercise of the right to effective judicial protection, and that it was therefore incumbent upon the Court to assess the statute of limitations as a mechanism for the extinction of tax obligations.</p>
Decision of the Superior Administrative Court (TSA)	<p>In its ruling, the TSA held that effective judicial protection, recognized as a fundamental right, together with the broad scope of judicial control over administrative activity, allows taxpayers to seek judicial relief even in the absence of a formal administrative act. Accordingly, the Court rejected the plea of inadmissibility raised by the DGII.</p> <p>The Court further determined that certain tax liabilities were time-barred, as no interruptive actions were proven within the statutory limitation period. However, it declared other liabilities as not barred by the statute of limitations, given that duly notified collection communications had validly interrupted the statute.</p> <p>In sum, this judgment confirms the ability to seek judicial determination of issues related to the statute of limitations without a prior administrative act, thereby reinforcing the scope of effective judicial protection in tax matters. Additionally, it constitutes an important precedent regarding the detailed assessment of limitation periods and the evaluation of interruptive actions carried out by the DGII.</p>

03.

Judgment No. 0030-02-2026-SEEN-00161 issued by the Superior Administrative Court (TSA)

Superior Administrative Court Judgment No. 0030-02-2026-SEEN-00161	
Background	<p>On March 19, the First Chamber of the Superior Administrative Court (TSA) ruled on a tax contentious-administrative action filed against a post-clearance customs assessment decision issued by the General Agency for Customs (DGA). Said decision had re-assessed approximately RD\$30.8 million corresponding to customs duties and ITBIS (Value Added Tax), due to value adjustments applied following a customs audit.</p> <p>This ruling stems from a remand after cassation, in which the Supreme Court of Justice ruled that the prior judgment erred in its interpretation of Article 21 of Decree No. 36-11, which governs the procedure applicable when there is reasonable doubt regarding the declared customs value. The Supreme Court emphasized that the mandatory 10-day period granted to respond to the reasonable doubt constitutes a core guarantee of administrative due process, and that its granting does not depend on a request by the importer.</p>
Arguments	<p>The taxpayer argued that the DGA violated due process by applying value adjustments without fully complying with the reasonable doubt procedure set forth in Decree No. 36-11, specifically by failing to grant the 10-day period allowing the importer to respond to the grounds for reasonable doubt prior to the issuance of a final decision. Additionally, the claimant alleged deficiencies in the reasoning of the determination, lack of clear identification of the audited value, and violations of its right of defense.</p> <p>For its part, the DGA maintained that the procedure was valid, that a 5-day period had been granted to submit arguments in response to the preliminary audit report, and that the taxpayer failed to provide sufficient evidence to rebut the findings. On this basis, it requested the dismissal of the action as inadmissible and lacking legal merit.</p>
Decision of the Superior Administrative Court (TSA)	<p>In line with the criteria established by the Supreme Court of Justice, the TSA held that the 10-day period provided for in Decree No. 36-11 constitutes an essential guarantee of administrative due process, the granting of which is mandatory and does not require an express request by the importer. Upon verifying that the DGA failed to grant this period before issuing both the final technical report and the assessment decision, the Court concluded that a substantial violation of the right of defense and effective administrative protection had occurred, which cannot be regarded as a mere formal irregularity nor cured retroactively.</p> <p>Accordingly, the TSA granted the action and overturned the assessment decision in its entirety. In summary, this judgment reaffirms the mandatory nature of the reasonable doubt procedure in customs valuation matters and underscores that the violation of essential procedural time limits constitutes a defect giving rise to the absolute nullity of the administrative act.</p>