Dominican Republic

Tax Updates June 2026

Subjects (1/2)

01 Law No. 30-26 on Economic Growth Measures, Tax Simplification and Mitigation of the International Crisis

02 Resolution No. DDG-AR1-2026-00005 issued by the General Agency for Internal Taxes regarding the settlement of the special contribution for integrated solid waste management

03 Resolution No. DDG-AR1-2026-00004 issued by the General Agency for Internal Taxes on the indexation of specific excise tax amounts for the July–September 2026 period

04 Notice No. 08-2026 issued by the General Agency for Internal Taxes regarding public consultation on a proposed rule exempting electronic invoicing issuers from withholding obligations

05 Notice No. 09-2026 issued by the General Agency for Internal Taxes regarding public consultation on amendments to the regulation of temporary transit license plates

06 Notice No. 10-2026 issued by the General Agency for Internal Taxes regarding the implementation schedule of Law No. 30-26

Subjects (2/2)

07 Case Law: The Administrative Superior Court confirms that clerical errors in tax returns do not relieve taxpayers from the tax consequences arising from the information reported

08 Case Law: The Administrative Superior Court upholds the DGII's authority to verify tax credits before authorizing their offset

01. Law No. 30-26 on Economic Growth Measures, Tax Simplification and Mitigation of the International Crisis

The Dominican Republic enacted Law No. 30-26 on Economic Growth Measures, Tax Simplification and Mitigation of the International Crisis, introducing significant amendments to the Dominican Tax Code and several special tax laws. The reform includes important changes affecting income taxation, real estate capital gains, inheritance and gift taxes, and taxes related to the real estate sector.

With respect to income taxation, the law creates a specific regime for capital gains derived from the disposal of real estate owned by individuals, subjecting such gains to a final and definitive tax rate of 10%. It also establishes an exemption where the proceeds from the sale of a primary residence are reinvested in the acquisition of a new primary residence within six months of the transfer. An additional exemption applies to individuals over the age of 65 who transfer their primary residence. This treatment may also apply to legal entities or entities whose exclusive activity is the holding of real estate assets, provided that such assets are not used for commercial activities. Furthermore, for fiscal years 2026, 2027, and 2028, taxpayers with annual income equal to or exceeding DOP 1 billion will be subject to a 30% income tax rate on taxable income, instead of the general corporate income tax rate of 27%.

The reform also introduces significant changes in the area of wealth taxation. Among these changes, inheritance tax exemptions are expanded for transfers with a total value of less than DOP 1 million, and, where transfers occur between direct-line relatives, for transfers valued below DOP 2 million. The law also amends the rules governing gift tax and updates several exemptions established under Law No. 2569-50 on Inheritance and Gifts.

From a Tax Authorities perspective, the law strengthens the powers of the Tax Authorities by incorporating failure to pay tax liabilities as a cause for suspension of the statute of limitations under Article 24 of the Dominican Tax Code. It also introduces a new payment agreement regime, modifies the rules governing compensatory interest and late-payment surcharges, and establishes a framework for reductions based on prompt payment. Additionally, a temporary tax amnesty is enacted through December 31, 2026, for certain taxpayers with disputed tax liabilities, final tax debts, or omitted tax returns.

The law further introduces changes to withholding taxes and international taxation, including an increase of the withholding tax rate on rental payments made to individuals from 10% to 15%, and a 15% withholding tax on outbound payments for royalties, software licenses, online advertising services, and data storage services.

Finally, in the real estate sector, the law provides for the gradual reduction of the unified ad valorem tax applicable to real estate transactions currently governed by Law No. 2914 on Mortgage Registration and Conservation and Law No. 173-07 on Revenue Collection Efficiency. The applicable rate will decrease from 2% to 1% beginning in 2027 and will be fully eliminated as of 2028.

For more information: Law No. 30-26

02. Resolution No. DDG-AR1-2026-00005 issued by the General Agency for Internal Taxes regarding the settlement of the special contribution for integrated solid waste management

On June 26, 2026, the General Agency for Internal Taxes (DGII) issued Resolution No. DDG-AR1-2026-00005, implementing the automatic and generalized semiannual installment payment mechanism for the special contribution established for integrated solid waste management.

This payment facility applies to companies whose fiscal year ended on December 31, 2025, and allows the contribution to be paid in two equal installments of 50% of the total amount due, with payment deadlines on June 30, 2026, and December 31, 2026.

The Tax Authorities also announced that the corresponding installments will be generated automatically for taxpayers that have filed their 2025 Corporate Income Tax Return, thereby simplifying compliance with this obligation.

For more information: Resolution No. DDG-AR1-2026-00005

03. Resolution No. DDG-AR1-2026-00004 issued by the General Agency for Internal Taxes on the indexation of specific excise tax amounts for the July–September 2026 period

Through Resolution No. DDG-AR1-2026-00004, the General Agency for Internal Taxes (DGII) announced the indexation of specific amounts applicable to the Selective Consumption Tax (ISC) for the period covering July through September 2026.

The ISC applicable to cigarettes was established as follows:
- DOP 64.65 per pack of 20 cigarettes.
- DOP 32.33 per pack of 10 cigarettes.

The applicable ISC amount for alcoholic beverages was set at DOP 764.29.

For more information: Resolution No. DDG-AR1-2026-00004

04. Notice No. 08-2026 issued by the General Agency for Internal Taxes regarding public consultation on a proposed rule exempting electronic invoicing issuers from withholding obligations

The General Agency for Internal Taxes (DGII) announced the opening of a public consultation process regarding a draft General Rule that proposes exempting taxpayers authorized as electronic invoicing issuers from the withholding requirements established under General Rule No. 02-2025, as amended. The initiative aims to facilitate tax compliance and further encourage the adoption of electronic invoicing throughout the country.

Under the proposed rule, the VAT (ITBIS) withholding obligations established under current regulations would not apply to transactions carried out by taxpayers authorized as electronic issuers before the DGII, provided that such transactions are supported by Electronic Fiscal Receipts (e-CFs).

The consultation period will remain open from June 18 through August 20, 2026, through the Taxpayer Forum available on the DGII website. The Tax Authorities have invited taxpayers and other interested parties to submit comments and observations.

For more information: Notice No. 08-2026

05. Notice No. 09-2026 issued by the General Agency for Internal Taxes regarding public consultation on amendments to the regulation of temporary transit license plates

The General Agency for Internal Taxes (DGII) announced the opening of a public consultation process on a draft General Rule that would amend General Rule No. 11-2021, which regulates the characteristics, issuance procedures, and use of temporary and transit license plates for motor vehicles and trailers.

The proposal seeks to expand the scope of the existing regulation, redefine the concept of temporary license plates, and update the procedures governing their application and use.

The consultation period will remain open from June 26 through August 28, 2026, through the Taxpayer Forum available on the DGII's online portal. The Tax Authorities have invited taxpayers and other interested stakeholders to submit comments and observations on the proposal.

For more information: Notice No. 09-2026

06. Notice No. 10-2026 issued by the General Agency for Internal Taxes regarding the implementation schedule of Law No. 30-26

The General Agency for Internal Taxes (DGII) published the implementation schedule for Law No. 30-26, detailing the effective dates of the principal measures introduced by the tax reform.

The notice outlines the implementation timelines for various provisions concerning tax procedures, income tax, withholding obligations, outbound payments, advance tax payments, the simplified taxation regime, and other taxes.

The schedule also distinguishes between measures with immediate effect and those that will become effective gradually during fiscal years 2026, 2027, and subsequent years, providing taxpayers with guidance regarding the implementation of the new legislation.

For more information: Notice No. 10-2026

07. The Administrative Superior Court confirms that clerical errors in tax returns do not relieve taxpayers from the tax consequences arising from the information reported

Administrative Superior Court Judgment No. 0030-1642-2026-SSEN-00235	
Background	On June 11, 2026, the Fourth Chamber of the Administrative Superior Court heard a tax litigation claim filed by Almacenes Generales del Caribe, S.A. (ALMACARIBE) against Resolution No. RAT-11-2024 issued by the General Agency for Internal Taxes (DGII). The dispute arose from a tax audit conducted by the Tax Authorities in connection with fiscal year 2022, during which an inconsistency was identified in expenses reported in the 606 Report and in the Corporate Income Tax Return (IR-2). The taxpayer argued that, due to a clerical error, an expense of DOP 9,557,075.00 had been reported when the correct amount was DOP 9,557.75, resulting in a tax adjustment relating to "*Costs and Expenses Supported by Minor Expense Tax Receipts Numbers (NCFs) Not Properly Justified*" The dispute had previously been reviewed by another chamber of the Administrative Superior Court and was later remanded to the Fourth Chamber following a cassation decision with remand issued by the Supreme Court of Justice.
Arguments	ALMACARIBE argued that the DGII failed to properly assess the audited financial statements, accounting records, and supporting documentation demonstrating that the discrepancy resulted from a simple clerical error in the tax return. The company contended that the Tax Authorities incorrectly presumed the expense to be invalid and made a tax assessment that did not reflect the economic reality of the transaction. Accordingly, it requested the reversal of the tax assessment, surcharges, and interest arising from the alleged inconsistency. For its part, the DGII argued that, regardless of the alleged clerical error, the taxpayer had in fact reported the incorrect amount in its tax filings and obtained a tax benefit as a result of the information reported. Consequently, the DGII maintained that the error directly affected the tax determination and fully justified the adjustment made. The DGII further noted that Resolution No. RAT-11-2024 partially corrected certain findings but maintained those supported by the evidence obtained during the audit process.
Decision of the Administrative Superior Court	The Fourth Chamber dismissed the tax litigation claim and upheld Resolution No. RAT-11-2024 issued by the DGII. The Court acknowledged the existence of the clerical error alleged by the taxpayer. However, it found that the incorrect information had in fact been incorporated into the taxpayer's tax returns and had generated concrete tax consequences in the determination of Corporate Income Tax and the corresponding advance payments. The Court further held that the existence of a clerical error does not automatically eliminate the legal and tax effects arising from information reported by the taxpayer itself. As a result, it concluded that the DGII acted within the powers granted to it under the Dominican Tax Code and that the challenged resolution was properly reasoned, supported by evidence, and consistent with the principle of tax legality. Accordingly, the Court upheld the administrative action in its entirety.

For more information: [Judgment No. 0030-1642-2026-SSEN-00235]

08. The Administrative Superior Court upholds the DGII's authority to verify tax credits before authorizing their offset

Administrative Superior Court Judgment No. 0030-1642-2026-SSEN-00236	
Background	On June 11, 2026, the Fourth Chamber of the Administrative Superior Court heard a tax litigation claim filed by Autos Ejecutivos Logistics Zayas Agüero, S.R.L. against Communication No. ALFER FI 4 issued by the General Agency for Internal Taxes (DGII). The dispute arose when the taxpayer sought to offset a VAT (ITBIS) tax credit amounting to DOP 28,846,103.78, generated from vehicle importations, against various outstanding tax liabilities relating to the Tax on Assets and Corporate Income Tax. The DGII rejected the offset request through an administrative communication, stating that the alleged tax credit first had to undergo a verification or audit process to determine whether it met the requirements established under the Dominican Tax Code to qualify as a certain, liquid, and enforceable credit.
Arguments	The taxpayer argued that the DGII's decision constituted an unlawful administrative act and that the Dominican Tax Code does not require a prior audit as a condition for authorizing the offset of tax credits. The company maintained that the credit balance was already recorded in the Tax Authorities's systems and satisfied all legal requirements for offsetting. Accordingly, it contended that the DGII's refusal violated the principles of legality, legal certainty, good faith, and the taxpayer's right to offset claims as recognized under Articles 18 and 19 of the Dominican Tax Code. For its part, the DGII argued that it had not definitively denied the claimed credit, but had merely required its prior validation through the verification procedures established under tax legislation. The DGII asserted that an offset may only be approved when the credit is effectively certain, liquid, and enforceable, and that these conditions must be verified through a formal audit process pursuant to Articles 19 and 265 of the Dominican Tax Code.
Decision of the Administrative Superior Court	The Fourth Chamber dismissed the tax litigation claim and upheld the actions taken by the DGII. The Court held that, for a tax credit to be eligible for offset, it is not sufficient for a taxpayer to merely show a credit balance in its online tax account or submit evidence of tax payments. Rather, the taxpayer must demonstrate that the credit effectively satisfies the requirements of certainty, liquidity, and enforceability established under Article 19 of the Dominican Tax Code. The Court further noted that Article 265 of the Dominican Tax Code sets forth a series of documentary requirements and prior verification procedures that enable the Tax Authorities to determine the validity of the credit being claimed for offset purposes. Consequently, it found the DGII's requirement of a prior audit or verification process to be legitimate and concluded that the taxpayer had failed to provide sufficient evidence demonstrating that the claimed credit met the legal requirements for offset. For these reasons, the Court rejected the claim and upheld the challenged administrative decision.

For more information: Judgment No. 0030-1642-2026-SSEN-00236