

What is an Automotive Fiscal Deposit in Mexico?

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Original Equipment Manufacturers (OEMs) operate in Mexico under a specific customs regime identified as fiscal deposit, which enables them to introduce into their authorized premises on an in-bond basis, machinery, equipment, tooling, components, and auto parts among others, to be destined to the assembly process of vehicles.

Briefly, the fiscal deposit regime is a customs regime foreseen in the Mexican Customs Law that, as a general rule, allows the in-bond storage of foreign or national goods in places authorized by the Mexican customs authorities to entities called General Bonded Warehouses, for purposes of their further importation, exportation, or return abroad. The fiscal deposit allows the deferral of the applicable foreign trade taxes, duties, and countervailing duties as long as they are duly determined upon introduction of goods into such regime.

The Mexican Customs Law provides as an exemption to such general rule, the authorization for the use of the fiscal deposit regime and the establishment of fiscal deposits, to duly registered OEMs in Mexico, to carry out their processes of assembling and manufacturing vehicles. The fiscal deposits authorized to OEMs are known as Automotive Fiscal Deposits.

Once authorized, the Automotive Fiscal Deposit authorization will be in force for ten years, and may be renewed for another ten year period, as long as the OEM proves compliance with the applicable legal requirements and submits the application 60 days prior to expiration.

Under the aforementioned regime, OEMs will be entitled to introduce either foreign trade or local (Mexican) goods to their authorized premises on an in-bond basis. Consequently, OEMs may defer the payment of duties and taxes to be paid (and countervailing duties when applicable) upon their extraction from their premises for importation or exportation purposes. The Automotive Fiscal Deposit demands from an OEM compliance of strict administrative and inventory controls.

The benefits of the Automotive Fiscal Deposit regime are not limited to the deferral of applicable duties and taxes. Authorized OEMs will be entitled to introduce prototype units to the regime, transfer vehicles to other authorized Automotive Fiscal Deposits, as well as introduce containers, machinery, equipment, tooling, spare parts, and equipment for pollution control, research, quality control, and administrative processes. In addition, the regime grants benefits related to the sale of vehicles in Mexico, certification of origin, destruction of obsolete or damaged goods, customs clearance facilitation, among others.

Moreover, OEMs authorized as Automotive Fiscal Deposits may register auto part manufacturers that operate under the IMMEX Program¹ as suppliers, which may sell the products resulting from their IMMEX processes to OEMs for introduction into an Automotive Fiscal Deposit and subsequent incorporation to the assembly process of vehicles.

OEMs that acquire such products must issue and deliver the IMMEX authorized auto part manufacturers a monthly report called “Constancia de transferencias de mercancías” (certificate of transfer of goods or “CTM” per its Spanish acronym)² The CTM will inform and provide evidence from the destination of the products acquired and transferred by IMMEX auto part manufacturers so that they may be able to comply with their customs trade obligations.

¹ <https://www.foley.com/en/insights/publications/2019/08/manufacturing-in-mexico>

² [IMMEX Highlights – Certificates of Transfer of Goods](#)

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