

## REPUBLIC OF PANAMA

### LAW No.8

(June 14, 1994)

## "WHEREBY TOURIST ACTIVITIES ARE PROMOTED IN THE REPUBLIC OF PANAMA"

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## THE PANAMA LEGISLATIVE ASSEMBLY DECREES:

### CHAPTER I

#### OBJECTIVES AND DEFINITIONS

**Article 1.** The objective of this Law is to establish a simple, prompt, and rational process to develop tourism activities in the Republic of Panama; grant incentives and benefits to persons engaging in tourist activities; adopt the necessary mechanisms for the public and private sectors to join and coordinate their efforts in the area of tourism; and promote tourism in Panama.

**Article 2.** The Executive Branch, through the Panama Government Tourism, shall assist the private sector by facilitating and expediting the required processing to establish and develop the tourist activities covered by this Law through the Executive Branch, other units of the Government of Panama and municipalities.

**Article 3.** Tourism is hereby declared a public service industry, and one of national interest.

**Article 4.** For the purposes of this Law, a tourist offering is understood to mean any commercial activity for the purpose of encouraging the stay of tourists in the country, and developing domestic tourism.

Tourist enterprises are defined as follows:

**Hotel:** An establishment whose entire structure is used for public lodging, and has been built and especially equipped to furnish continuous lodging services and, as a general rule, meals to its guests, as well as other related services such as a reception services, a lobby, public telephone, and daily cleaning rooms and its other service units. The incentives set forth in this Law are available for golf or tennis courts, sauna baths, gyms, discotheques, restaurants, discotheques, and other activities connected with investments in hotel facilities.

**Motel:** A tourist lodging establishment located in rural areas, or near beaches or roads, for the purpose of providing lodging and meals for a price to motorists.

**Apartment Hotel:** A building for rental or lease to domestic or foreign tourists, equipped with the required furniture and provided with daily cleaning service and individual kitchen facilities for guests to prepare their own meals.

**Cabins:** A group of individual structures for lodging in rural areas, beaches, beach resorts, and ecotourism areas.

**Time-Shares:** An ownership mode whereby a co-owner or co-owners of a property destined for public tourist lodging manage same under a contract granting rights of use to various parties, during different periods of the year.

**Tourist Horizontal Property Regime:** An ownership mode where by the all the units of a building destined to a tourist lodging are owned by different owners.

**Camping sites:** An area destined to the exploitation of ecotourism, equipped with restrooms, potable water, and first aid materials.

**Restaurant:** A commercial establishment engaged in the sale of meals and beverages, with a minimum investment in infrastructure, not including the cost of the land, of one hundred thousand balboas (US\$ 120,000.00) in the metropolitan area, and minimum of twenty thousand balboas (US\$ 20,000.00) in the rest of the Republic of Panama.

**Theme Park:** One with an easily identifiable image, in which a theme ranging from history to fantasy and even the world of the future, is developed within well-defined areas.

**Bed and Breakfast:** A tourist facility operated by an individual or family adjacent the owner's home or rooms. A small establishments that renders personalized service and home-cooked meals to guests, its architecture is typical of that which prevails in the area.

**Inn:** A lodging facility for travelers at a tourist site, where visitors may obtain self-service lodging and meal.

**Convention Center:** A facility adequately equipped to hold conferences; meetings; or technological, cultural, and tourist events; where clerical and simultaneous interpreting services into several languages are available, and several events may be held concurrently.

## **CHAPTER II TOURIST ACTIVITIES**

**Article 5.** The incentives and benefits provided under this Law are available to natural persons or companies engaged in tourist activities as defined herein, who are registered at the National Registry of Tourism (Registro Nacional de Turismo).

**Article 6.** For the purposes of this Law, tourist promotion and development activities are understood to mean those that effectively contribute to increase of foreign visitors to the Republic of Panama and the diversification of tourist offerings in the country, as well as any investment in activities that encourage such an increase in the number of visitors, to wit:

1. The construction, furnishing, renovation and operation of hotels, motels, apartment hotels, boardinghouse, inns, bed and breakfasts, buildings under the horizontal property regime that are destined entirely to public tourist lodging, whether managed by their co-owners or by third parties, tourist time-share quarters, cabins, camping sites for the exploitation of ecotourism, and theme parks.
2. Construction, furnishing, the building of access infrastructures, renovation, and operation of convention centers, shops for native crafts of tourist interest, recreational parks, zoos, tourist resorts, ecotourism, and marinas.
3. Land, air, and maritime transportation for passengers within the Republic of Panama, mainly for tourist.
4. Construction, furnishing and operation of restaurants, discotheques, and nightclubs catering to tourists.
5. Construction, renovation, restoration, remodeling, and expansion of any real property for commercial or residential use at Historic Landmarks where these types of activities are authorized. The National Bureau of Historic Oatrimony (Dirección Nacional de Patrimonio Histórico) of the Panama National Institute of Culture (Instituto Nacional de Cultura) shall be the agency in charge of authorizing and regulating all matters pertaining to any project performed to preserve the historic value of such landmarks.
6. The operation of tourist agencies handling incoming tourism; devoted entirely to such an activity.
7. Any company producing feature films and international artistic or sports events to be broadcast over closed circuit television or abroad by satellite, that include spot promoting tourism in the Republic of Panama prior to, during, or after such events.
8. Any investment in the design, restoration, construction, maintenance, and lighting of historic landmarks, municipal parks, national parks, or any other public area under the direction of the Panama Institute of Tourism (Instituto Panameño de Turismo - IPAT), in coordination with the National Institute of Culture (Instituto Nacional de Cultura - INAC).

**Article 7.** The right to claim benefits under this Law is recognized upon registration of a company at the National Registry of Tourism (Registro Nacional de Turismo), and the issuance of a certification by the Panama Government Tourism Bureau (Instituto Panameño de Turismo-IPAT), specifying the rights and duties of the party entitled to such benefits.

## **CHAPTER III INCENTIVES AND BENEFITS**

**Article 8.** For the purpose of ecouraging investment in new projects and activities to offer tourist facilities, the following tax incentives are granted to natural persons or companies covered by the provisions of this Law. (Modified by the Decree Law No.4 / February 19, 1998)

1. **Public Tourist Lodging:** The following incentives are granted for the construction, furnishing, and efficient development of the public lodging establishments covered by Article 6, 1, of this Law, in which a minimum, not including the cost of the land, of three hundred thousand balboas (US\$ 50,000.00) if they are located in the rest of the Republic of Panama, except in the case of inns and bed and breakfast, for which the minimum investment shall be set by IPAT.

- a. A twenty- (20) year, full exoneration from import duties, contributions , taxes, or fees of any type or class, for the introduction into Panama of any materials, appliances, furniture, equipment, vessels, and automotive vehicles with a minimum capacity of eight (8) passengers. The latter must be certified by IPAT as indispensable for the regular conduct of tourist activities. These materials and equipment must be used to build and furnish public lodging establishments. This incentives shall be granted provided these items are not produced locally in sufficient quantity or of the proper quality. Any equipment a company may bring into Panama for the purpose of saving energy or providing the necessary safety at the project area shall also be exonerated. In the case of ecotourism activities covered by Article 6 of this Law, the exoneration of four-wheel traction vehicles with a minimum capacity of five (5) passengers shall be allowed.
- b. A twenty (20) years exoneration from real property tax, starting on the date of registration of the company at the National Registry of Tourism (Registro Nacional de Turismo). This exoneration shall cover all real property owned by the company, provided it is used in its entirety for tourist activities.
- c. Exoneration from any tax or assessment on its capital.
- d. Exoneration from warfare or any fee for landing on piers, airports, or heliports owned, built, or repaired by the company. The Government of Panama may use these facilities free of charge.
- e. Exemption from payment of income tax on any interest earned by creditors in operations for investing in public lodging establishments.
- f. An annual rate of ten per cent (10%) shall be for allowed real property depreciation, not including the cost of the land.

## **2. Investment in Historic Landmarks:**

The following incentives are granted for the activities contemplated in Article 6, 5 of this Law located within Historic Landmarks, for which the National Institute of Culture (Instituto Nacional de Cultura-INAC) authorizes the construction of projects with a minimum investment of one hundred thousand dollars (US\$100,000.00), not including the cost of the land.

- a. A ten (10) years exoneration from real property tax on the land, and thirty (30) years exoneration for improvements to real property.
- b. Exoneration from income tax on the company 's profits during the first five (5) years of operation of the appropriate commercial activity. After this period expires, the company may deduct any losses as expenses during the first three (3) fiscal years following the fiscal year in which such losses were sustained.
- c. A one time exoneration from import duties on any equipment and materials used in construction, remodeling, and furnishing, provided such items are not produced locally in sufficient quantity or of the proper quality, and that they are not for sale to the general public.

**Article 9.** A natural person or company may treat as fax deductible any investment it makes in the restoration, maintenance, or lighting of Historic Landmarks, municipal parks, national parks, or public site; also, any investment made in tourist promotion or education considered by the Ministry of Finance and Treasury in coordination with IPAT; as activities that encourage the development of tourism.

**Article 10.** The following tax incentive is granted to companies engaged exclusively as operators of incoming tourism in the Republic of Panama: Exoneration, every three (3) years, from import duties on microbuses, limousines, vessels, and their spare parts, provided they are so certified by IPAT as indispensable for the proper operation of tourist services. Such equipment may be resold upon payment of the appropriate duties.

**Article 11.** Natural persons or companies providing mass transportation to tourists at airports, piers, and hotels are exonerated from import duties on automotive vehicles exclusively destined to tourist activities, as approved by IPAT.

**Article 12.** Companies engaged in restaurant, discotheque, or nightclub activities that have been certified by IPAT as being of tourist interest, in which a minimum investment has been made, not including the cost of the land, of one hundred twenty thousand balboas (US\$ 120,000.00) if located in the metropolitan area, and of a minimum of twenty thousand balboas (US\$ 20,000.00) if located in the rest of the territory of the Republic of Panama, are exonerated for a period of three (3) years as of the date of their registration in the National Tourism Regiatry (Registro Nacional de Turismo), from import duties on the materials, equipment, and appliances used in the construction and furnishing of such establishments, provided they are not produced locally, or are not produced locally in sufficient quantity or of the proper quality, and are considered by IPAT as important for the development of such activities.

**Article 13.** The following benefits are granted to any company conducting activitie within the territory of

the Republic of Panama for the filming of international feature films or artistic, sports, or any other type of international events to be broadcast abroad, that include spots promoting tourism in the Republic of Panama prior to, during, or at the end of such event.

1. Full exoneration from income tax on profits from such event, unless a tax paid in Panama is considered a tax credit in the company's country of origin.

2. Full exoneration from any national tax on such events.

3. Temporary exoneration from any import duty, contributions, tax, charge, or fee on any type or class of equipment, supplies, spare parts, or technical material brought into the Republic of Panama by communications companies for the broadcast of events to other countries; or on all the material used during the event, which shall be re-exports upon completion of the event.

4. Income tax exoneration to any sportsmen, or national and foreign artists participating in such events.

**Article 14.** All tourism publicity material is exonerated from import duties, provided it is distributed free of charge, subject to inspection by IPAT.

IPAT shall have a period of fifteen (15) working days to approve or object to the material to which this article refers.

**Article 15.** Income derived from the following activities is exonerated from income tax:

1. The exploitation of vessels or aircraft of registered in foreign countries, if reciprocity is granted there to Panamanian merchant marine vessels or aircraft registered in Panama, for income derived in such countries;

2. The exploitation of vessels or aircraft of any nationality by foreign nationals residing in the territory of the Republic of Panama, provided the country of nationality of the natural person or company, or the country under whose laws the company is chartered, grants an equivalent exemption to companies chartered under the laws of the Republic of Panama, or to persons who have established their domicile in the Republic of Panama, by virtue of the principle of reciprocity.

**Article 16.** The following tax incentives are granted for the construction, furnishing, building of access infrastructures, restoration, and operation of convention centers, recreational parks, zoos, tourist and ecotourism resorts, and marinas:

1. A three (3) years exoneration from import duties on materials and equipment used in their construction and furnishing, provided such items are not for sale, are not produced locally, and are considered by IPAT as important for the development of such activities.

2. A ten (10) years depreciation for real property.

3. A twenty (20) years exoneration from real property tax.

**Article 17.** At the request of IPAT, the Panama Cabinet Council may declare as Tourist Development Zones of National Interest those areas that meet the requirements as special tourist development zone, who meet the established minimum investment, shall enjoy the following tax incentives:

1. A twenty (20) year full exoneration from the payment of real property tax on the land or any improvements owned and being used for tourist development activities.

2. A fifteen (15) years full exoneration from the payment of income tax on the company's activities.

3. A twenty (20) years full exoneration import duties, contributions, or taxes, as well as the sales tax (ITBM tax) on the imported materials, equipment, furniture, accessories, and spare parts used to construct, renovate, and furnish their establishments, provided such items are not produced locally, or are not produced in sufficient quantity or of the proper quality. For the purposes of this Law the term "equipment" is understood to mean vehicles with a minimum capacity of 8 passengers, aircraft, helicopters, minimum capacity of 8 passengers, aircraft, helicopters, motorboats, ships, or sports supplies used exclusively for tourist activities.

4. A twenty (20) years exoneration from duties, contributions, taxes, or fees on the use to piers or airports built by the company. The Government of Panama may use these facilities free of charges, according to the appropriated regulations.

5. A twenty (20) years exoneration from the payment of income tax in interest earned by creditors from operations for investing in the tourist activity being conducted.

**Article 18.** Any public tourist lodging company or restaurant not covered by the above articles, but solely engaged in a tourist activity; outside the metropolitan area according to this Law shall have the operation of being entitled to a Tourism Employment Certificate (Certificado de Empleo al Turismo-CET) issued its name, equivalent to twenty-one and a half per cent (21.5%) of the gross monthly payroll as of the promulgation of this Law, provided this gross monthly payroll does not exceed four hundred dollars (US\$400.00). In the case of restaurants, this option shall be for a period of three (3) years.

**Article 19.** CET's as contemplated in this Law, shall be issued in Panamanian currency by the Ministry of Finance and Treasury, and may be applied to the payment of income, dividend, complementary, real property, or sales taxes, as well as import duties. These are nominal certificates transferable by endorsement. They are exempt from all types of taxis, and may not earn interest

**Article 20.** To be entitled to CET's, companies must meet all the requirements set forth in this Law. CET's may be used six (6) months after their date of issue, but not within the same year of issue. They shall be valid for a period of three (3) years from their issue date.

**Article 21.** Wages of foreign employees, or those for any employment period of less than twelve (12) months may not be included in the payroll for the purposes of calculating the CET's established herein. Payroll control procedures shall be established.

**Article 22.** Natural persons or companies engaged in tourist activities may use their vehicles to transport their own materials, furniture, or equipment. They may also provide tourist transportation service to their facilities, and to and from airports and seaports.

**Article 23.** In order to encourage investment and financing for the development of the tourist industry and the construction of hotels outside the metropolitan area, public tourist lodging companies may issue nominal tourist investment instruments until January 1st. 2000.

The following incentive is granted to investors in these instruments who are not connected directly or indirectly with public tourist lodging, are not the result of the division of a company into several companies, or affiliates or subsidiaries of tourist companies:

For income tax purposes, fifty per cent (50%) of the amounts invested by natural persons or companies in the purchase of bonds, shares of stock, or other nominal instruments issued by tourist companies may be considered as deductible expenses. The Ministry of Finance and Treasury (Ministerio de Hacienda y Tesoro) shall regulate the application of this article. Companies registered with the National Tourism Registry (Registro Nacional de Turismo) must register any bonds, shares of stock, or other financial instruments with Panama's National Securities Commission, and must issue them within the first three (3) years from its registration. A company issuing such bonds, shares of stock, or other nominal instruments may not redeem them in any manner whatsoever for at least ten (10) years. Any bonds or instruments issued by a tourist company shall be valid for a minimum period of ten (10) years, and may not be redeemed earlier. These companies may not purchase their own shares of stock, contributions, or convertible bonds, and may not be redeemed earlier. These companies may not purchase their own shares of stock, contributions, or convertible bonds, and may not grant loans to the holders of any such bonds, shares of stock, or nominal instruments; nor may they make use of any other mode for the purchase or payment of said financial instruments for a minimum period of ten (10) years.

**Article 24.** Tourist yachts calling at ports in the Republic of Panama whose stay does not exceed ninety (90) days are exonerated from the payment of any and all types of the usual charges, taxes, or service fees upon arrival or anchorage. Customs authorities may only perform their routine inspection duties. No processing of documents by these agencies shall be required. The Executive Branch shall regulate his provision.

## **CHAPTER IV**

### **NATIONAL TOURISM REGISTRY**

**Article 25.** The National Tourism Registry (Registro Nacional de Turismo) is hereby established under IPAT. Natural persons or companies wishing to be covered by this tourism incentive regime must register in this Registry.

**Article 26.** Applicants must complete a registration form obtainable from IPAT for a fee of ten dollars (US\$10.00), with the following information:

1. Applicant's name and surname, nationality, and personal identification number or passport number. If the applicant is a company, its business name, the country where it is chartered, and its Panama Public Registry (Registro Público) registration entry data, as well as the name address of its legal representative.
2. The applicant's domicile or address.
3. A detailed and precise description of the tourist activity, the applicant is conducting or will conduct. In the case of a tourist project with an initial investment of more than three hundred thousand dollars (US\$300,000.00), a feasibility study, and the drawings and technical studies required for and justifying the project must be submitted with the application.
4. The amount of the investment the applicant has made or proposes to make.

5. The number of jobs it proposes to generate.

6. Any additional information required by IPAT, according on the nature of the proposed tourist activity, as needed to evaluate the merits of the application.

**Article 27.** The registration form must be submitted with a copy of the personal identity card, or passport of the legal representative, if a company. In the latter case, a certification issued by the Public Registry (Registro Público) must also be submitted stating that the company is a registered and valid one, the name of its Board members, its officers and legal representative, the amount of its capital and its term of duration.

**Article 28.** The Board of Directors of IPAT is the only body in charge of approving the registration of companies in the National Tourism Registry (Registro Nacional de Turismo) and issuing certifications to that effect, stating the date in which the company was registered at the National Tourism Registry and that it is thus entitled to benefits under this Law. The General Manager of IPAT shall sign these certifications.

**Article 29 .** Upon receipt of the registration form with the required information and documentation, IPAT has a period of not more than sixty (60) calendar days to study the technical, economic, legal and tourism aspects of the proposed project; and upon approval, to register the company in the National Tourism Registry and issue a certification stating the date of registration of the company in the National Tourism Registry, and that it is thus entitled to benefits under this Law. Projects involving National or Historic Landmarks or wildlife reserves under the National Institute of Culture (Instituto Nacional de Cultura-INAC) or the National Institute of Renewable Resources (Instituto Nacional de Recursos Renovables - ANAM) require a resolution issued within thirty (30) calendar days, counted as of the date of receipt of the project documents.

## **CHAPTER V DUTIES**

**Article 30.** Any party seeking benefits under this Law has the following duties:

1. Actually make the investment in the proposed tourist activities, as shown on its application, and maintain such an investment throughout the period stipulated in this Law.
2. Start the construction, remodeling, refurbishing, or restoration of the real property for the proposed tourist activities within a period of not more than six (6) months counted as of the date of registration in the National Tourism Registry, unless a longer period is required because of the nature of the tourist activity, as determined by IPAT.
3. Start rendering tourist services within a period of not more than three (3) years counted as of the date of registration, unless a longer period is required because of the nature of the tourist activity, as determined by IPAT.
4. Conduct tourist activities according to the regulations issued by IPAT.
5. Keep an accurate record of the exonerated items available for the competent officials of the Ministry of Finance and Treasury, the Ministry of Commerce and Industries, and IPAT.
6. Post a performance bond in the name of IPAT and the Office of the Comptroller General of the Republic, in an amount equivalent to one per cent (1%) of the amount invested. In no case may this bond be in excess of three hundred thousand dollars (US\$300,000.00).
7. Comply with the ratio established in the Labor Code for hiring Panamanian citizens, except for the experts and skilled technicians deemed necessary, for which authorization by the competent Panamanian authorities is required.
8. Provide technical training to Panamanian citizens and maintain scholarships to train them abroad, if such training is not available at local industrial establishments or schools.
9. Waive all rights to file claims through diplomatic channels in the event of differences or conflicts with the Republic of Panama. Submit said differences to the jurisdiction of Panamanian tribunals.

## **CHAPTER VI PENALTIES**

**Article 31.** Noncompliance with the duties described in Article 30 of this Law shall cause the revocation of the registration and forfeiture of the bond, unless it is proven that this noncompliance was due to force major or a fortuitous event. The revocation of a registration in the National Tourism Registry may be ordered by ordered by means of a resolution issued by the Board of Directors of IPAT, as notified to the concerned party. Nonetheless, any parties that consider themselves affected may file and appeal with the

same authority for reconsideration. The period to make this appeal is of five (5) working days counted as of the notice of the resolution revoking the registration.

**Article 32.** Any items imported under this Law may not be sold or transferred without first paying the corresponding taxes or assessments, calculated on the basis of the value of the property at the time of its sale or transfer. The sale or transfer of imported items between the companies covered by the provisions of this Law only requires the approval of the Ministry of Finance and Treasury (Ministerio de Hacienda y Tesoro). Except as provided in this article, any person importing items exonerated under this Law, and selling, leasing, transferring, disposing of or otherwise giving them a use other than that for which the exoneration was granted shall be punished with a fine equivalent to three times the amount of the import duty due at the time of the sale, lease, transfer, or disposal of the items.

**Article 33.** Violators of the provisions of this Law shall be punished with a fine equivalent to five (5) times the amount of the benefit claimed, and the revocation of any benefit to which they had been entitled, in addition to any other penalties under the Law.

## **CHAPTER VII**

### **CONCESSIONS FOR TOURIST DEVELOPMENT**

**Article 34.** As recommended by the Board of Directors of IPAT and ("1)) subject to ratification by the Public Finance, Economic Planning and Policy Committee of the Legislative Assembly of the Republic of Panama). The Executive Branch is authorized to grant for tourist use in accordance with IPAT Master Plan, without affecting any preexisting rights, periods of up to twenty (20) years, concessions for islands Government owned lands, lands requiring fills, and areas for the construction of marinas and piers that the Government may decide to devote to public tourist activity.

**Article 35.** Notwithstanding the provisions of the above article, any concession contracts may be made for a period of up to forty (40) years in the case of projects whose investment amount, economic impact and job generating potential require a longer contract term in the judgement of the boards or Directors of IPAT by means of a justified resolution ("2) duly rafted by the Public finance, Economic Planning and Policy of the Legislative Assembly of the Republic of Panama whit the exemption of concession of reverted property under the jurisdiction of the Interoceanic Region Authority, which in this case is the organization in charges of granting the appropriate concessions.

**Article 36.** Noncompliance with the period established for a concession to develop authorized tourist activities that authorized should cause the revocation of the concession. It is understood that in this case any improvement built in the area shall become property of the Government at no-cost to it, not with standing any penalties applicable under the Law.

Article 37. The following is required to apply for a concession:

1. Submission of the project budget, its technical specifications, and the appropriate project schedule;
2. Proof of payment of the required fees;
3. A description of the type of services to be rendered, and their benefits to users,
4. Certifications establishing the financial means and source of the applicant's resources.
5. The applicant's experience in similar projects.

The agency responsible for granting a concession shall provide continuous inspection service in all stages of the project, in order to ensure proper compliance with the terms of the concession.

**Article 38.** Concessionaires or their subcontracts, as the case may be, shall comply with the approved project schedule until completion of the project. Noncompliance of the schedule or the approved technical specifications may cause the administrative revocation of the contract, forfeiture of the performance bond posted, and revocation of all rights under the concession contract.

**Article 39.** Prior to declaring them as finally awarded, any concessions granted under this Law, including their terms shall be published in local newspapers for a period of fifteen (15) consecutive days.

## **CHAPTER VIII**

### **FINAL PROVISIONS**

**Article 40.** The Government shall consider native Indian territories as tourist development zones, and shall promote native and rural cultures and traditions as tourist attractions.

**Article 41.** (Transitory). Any applications for contracts with the Government of Panama being processed on the date this Law is promulgated may continue with the procedure established in Cabinet Decree No. 102 of June 20, 1972, for the purpose of obtaining the benefits set forth in that Decree, which shall remain in force only for such purposes.

**Article 42.** (Transitory). Any contracts for the operation of tourist activities in force on the date of promulgation of this Law are valid until the expiration of their respective terms. Nonetheless, if a concessionaire wishes to make additional investments, it must apply for incentives under this Law and meet its requirements.

**Article 43.** This Law supersedes Law Decree No. 26 of September 27, 1967 as amended by Law No.81 of December 22, 1976; Cabinet Decree No.77 of March 18, 1971; Cabinet Decree No. 102 of June 20, 1972 and any legal provisions and regulations contrary to it.

**Article 44:** This Law shall become effective upon its promulgation.

PROMULGATE AND PUBLISH IT.

GIVEN IN PANAMA CITY,

ON THE 10 DAY OF THE MONTH OF MAY OF

NINETEEN HUNDRED AND NINETY FOUR.

THE PRESIDENT

ARTURO VALLARINO

THE SECRETARY GENERAL

RUBÉN AROSEMENA VALDÉS

NATIONAL EXECUTIV BRANCH

PRESIDENCY OF THE REPUBLIC

PANAMÁ REPÚBLIC DE PANAMÁ,

14 OF JUNE OF 1994

GUILLERMO FORD BOYD

IN CHARGE OF THE PRESIDENCY OF THE REPUBLIC

RICARDO A. FÁBREGA

MINISTRY OF COMMERCE AND INDUSTRIES