

INTERGEST®
PANAMA



THE **ART** OF BEING
LOCAL **WORLDWIDE**

INTERGEST PANAMA & CA S.A. IS AT YOUR SERVICE

InterGest Panama was founded to **assist foreign companies in establishing and developing their business activities** in Panama and Central America.

Panama is known as the **hub of the Americas**, as it has the best logistical and tax conditions to support Latin America from there and/or to distribute goods to the countries. Well-known companies such as Dell, Adidas, Philips, Samsung, Procter & Gamble, Caterpillar and Sanofi - just to give a few examples – have already established themselves in Panama for this reason.

InterGest Panama offers its services for the entire region **ensuring that all provided services are at all times transparent as well as compliant and in accordance with the local legislation.**

PANAMA IS A GREAT BUSINESS OPPORTUNITY

- 1 Central location and **connectivity** in Latin America - ideal for regional sales offices and hub for re-exports
- 2 Multiple **free trade agreements*** as well as **commercial agreements** with Colombia, Cuba, Dominican Republic, USA
- 3 **Stable** legal and governmental environment
- 4 Investment and taxation **friendliness**
- 5 **Economic** business setup and low maintenance costs
- 6 **InterGest** as strong & reliable partner with locally and internationally **experienced personnel** operating at highest standards
- 7 **Skilled professionals** available on the market
- 8 Excellent **communication infrastructure** (high-speed Internet etc.)

* With EU, Costa Rica, Canada, El Salvador, Guatemala, Honduras, Nicaragua, Singapore, Chile, Peru, Mexico

GENERAL INFORMATION ON THE **REPUBLIC OF PANAMA**

- » Government type: → Presidential Republic

- » Capital: → Panama City

- » Population: → 3.9 million (est. in 2021)

- » Currency: → Balboa and USD

- » GDP: → USD 66.801 billion (est. in 2019)

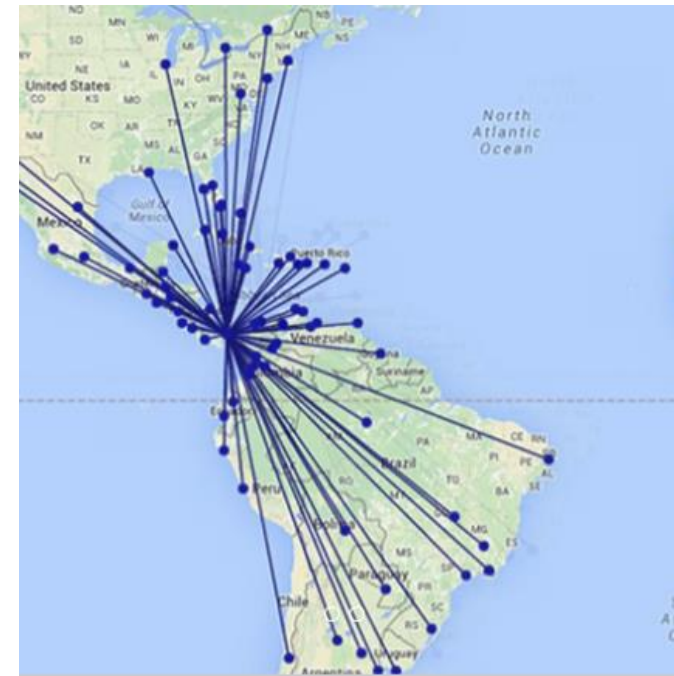
- » GDP per capita: → USD 31,459 (est. in 2019)

- » Inflation: → 0.7% (est. in 2020)

- » Industry sectors:
 - Services 79.2%
 - Manufacturing 16.7%
 - Agriculture 4.1%

GENERAL INFORMATION ON THE **REPUBLIC OF PANAMA:** AIRPORT WITH THE **BEST CONNECTIVITY** IN THE REGION

The airport **TOCUMEN** in Panama-City is known as hub of the Americas with **more than 70 destinations** in the region and worldwide. All major airports in Central and South America are served. Flights to **Frankfurt, Madrid, Amsterdam and Paris** are available. DHL uses Tocumen as a hub.



GENERAL INFORMATION ON THE **REPUBLIC OF PANAMA:** THE **LARGEST COLON FREE TRADE ZONE** IN AMERICA

The **COLON FREE TRADE ZONE** in Panama is **the largest free port in the Americas**, and **second largest in the world** with an annual volume of approx. USD 18 billion, imports of USD 8.6 billion and re-exports of USD 9.4 billion. It is the **main port for distributing products** in Latin America and the Caribbean.



GENERAL INFORMATION ON THE **REPUBLIC OF PANAMA:** THE **FISCAL SYSTEM**

- » VAT: → 7%

- » Income tax: → Export sales 0%
→ National Sales 25%

- » Operating license: → 2% on equity excl. IC liabilities (as per December 31)
capped at USD 60,000

- » Single rate: → USD 250 upon registration of company,
→ afterwards USD 300 annually

- » Municipality tax: → Local license fee according to business activity

- » Currency: → USD is official business currency
→ Local currency „Balboa“ is connected 1:1 to USD

GENERAL INFORMATION ON THE **REPUBLIC OF PANAMA:** THE **FISCAL SYSTEM**

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- » Withholding tax (WHT):
 - Dividends, 5% to 20%
 - Interests 12.5%
 - Royalty fees and services: 0% to 12.5%
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Note: Companies located in the Colon Free Trade Zone and/or with an annual turnover above USD 1.5 million are subject to alternative taxes. Transfers of assets are subject to additional taxes.

INTERGEST PANAMA OFFERS THE FOLLOWING SERVICES

- 1 Company formation, fiduciary administration incl. the opening of bank account and local registrations
- 2 Finding a suitable office space or providing a fiscal address, support in supplier selection
- 3 Human resources issues incl. recruitment and comprehensive payroll service
- 4 Bookkeeping and accountancy, financial accounting, cross-border and consolidated reporting (HGB or IFRS standard)
- 5 Assistance in legal and tax matters, value-added tax management
- 6 Cash and credit management
- 7 Invoicing and debt collection
- 8 Support in building up sales services, even order processing if needed

WHAT **BENEFITS** DOES INTERGEST OFFER?



Specialist **advice** and **expertise** on the international market **since 1972**



One-stop shop for all services, **custom-tailored** to the respective corporate philosophy



Internationally **experienced partners** (many of whom speak German) and **employees**

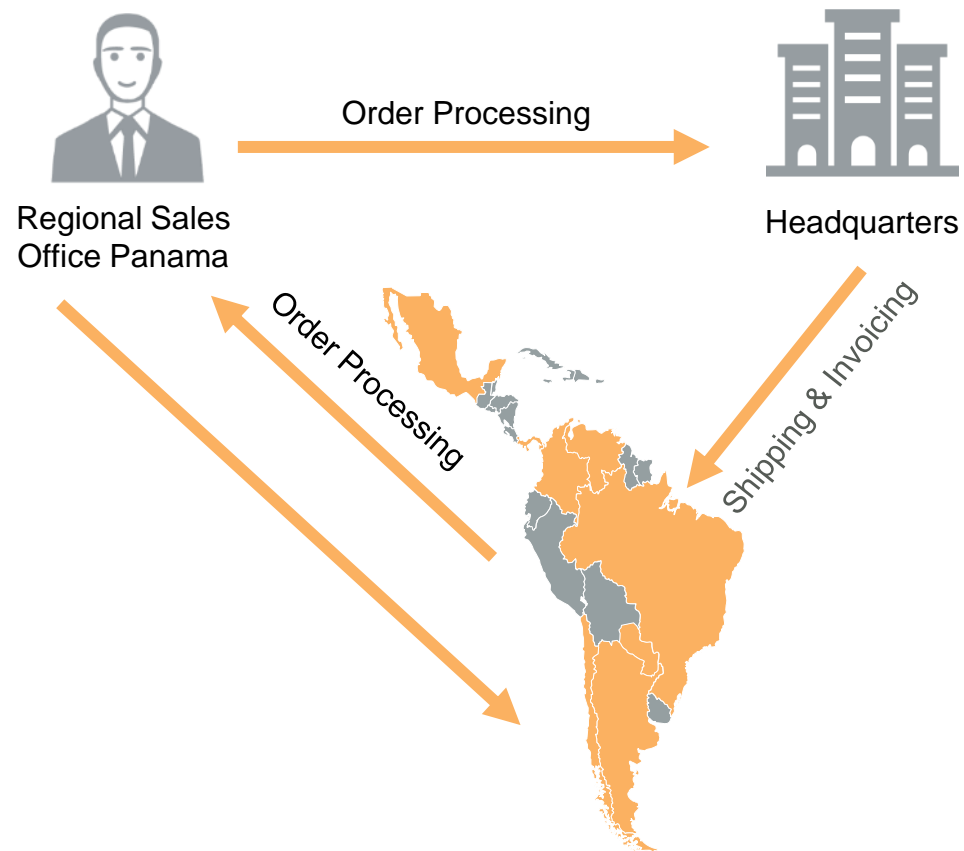


Clearly defined responsibilities, **reliability** and **adherence to schedules**



Collaborative style of partnership

REGIONAL ORDER PROCESSING BY INTERGEST



FREQUENTLY ASKED QUESTIONS **ABOUT PANAMA**

» **Can I set up a business in Panama without it being regarded as tax evasion?**

Yes, you can: Panama submits to **INTERNATIONAL RULES AND OECD STANDARDS** such as the Common Reporting Standard (CRS) and has Tax Information Exchange Agreements (TIEA) in place. International regulatory standards apply for the banking sector.

» **How can I be sure that my business is administrated correctly by international standards?**

InterGest will ensure **COMPLIANCE AT ALL TIMES** by providing respective documentation on contracts and transfer-prices.

» **What was „Panama-Papers“ about?**

The Panamanian legislation shields assets of local companies from foreign intervention. Furthermore, stockholders of private companies remain unknown to the public.

A company with fraudulent intentions made use of this situation to hold partnerships with questionable business people who acted on their behalf and managed their assets as local proprietor, using shell companies to hide the actual owner.

FREQUENTLY ASKED QUESTIONS **ABOUT PANAMA**

» **Who will handle my account?**

GREGOR VORDERWÜLBECKE (BA, MBA) is an expert in finance and business development. Born in Germany, he has been working in Latin America for more than 15 years. He has successfully developed businesses for German companies in Mexico and assumed management positions. He will guide and advise you from the start acting as your key account.

» **Who is there on location, in Panama?**

Along with Gregor, Mrs. **YESENIA JARQUIN**, native, runs the InterGest Panama back-office and oversees all staff in Panama-City. Yesenia graduated as Public Accountant from the University Interamericana Panamá and has gained many years of experience in accounting and legal matters. She can rely on a good local network in Panama-City and the region.

MEET **YOUR CONTACT**

GREGOR VORDERWÜLBECKE

Vía Tocumen, San Antonio, Calle Pedro J. Ameglio
Centro Comercial Villa Internacional, local No. 2,
Planta Baja
Ciudad de Panamá

+ 52 222 426 6802

info.panama@intergest.com

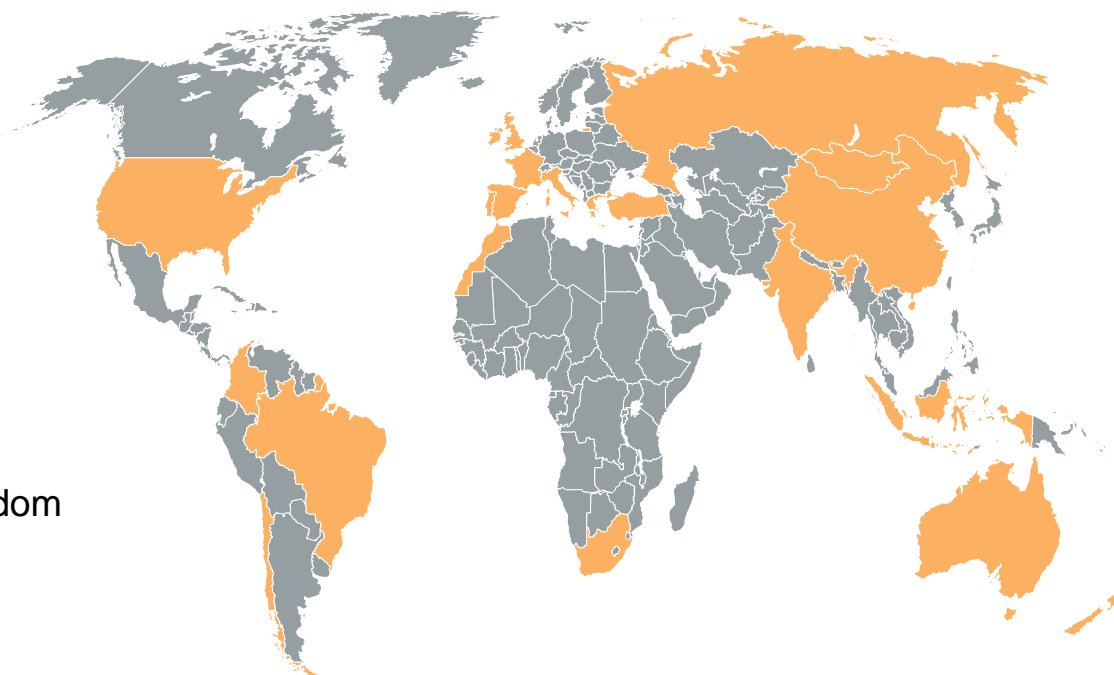
www.intergest.com/panama



WHERE CAN YOU **TAKE YOUR COMPANY** AND EXPAND ON ITS **SUCCESS?**

InterGest can support you in more than 50 locations worldwide:

Argentina	Denmark	Malaysia	Serbia
Australia	Finland	Malta	Singapore
Austria	France	Morocco	Slovakia
Belgium	Germany	Mexico	South Afrika
Brazil	Greece	Netherlands	Spain
Brunei	Hong Kong	New Zealand	Sweden
Bulgaria	Hungary	Norway	Switzerland
Canada	India	Panama	Thailand
Chile	Ireland	Paraguay	Turkey
China	Italy	Poland	UAE
Croatia	Japan	Portugal	United Kingdom
Czech Republic	Lebanon	Romania	USA
Cyprus	Luxembourg	Russia	Venezuela



THANK YOU FOR YOUR **ATTENTION!**
ANY **QUESTIONS?**



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