

Besides, upon hiring an agency, the good operation of the job is assured promotional for the clients and the fulfillment of the objectives, in base to it requested by the companies and with firm living upon the real value of the costs of the activities according to the industry in Mexico and to the requirements on the part of the government. A promotions agency helps its clients to carry out adequately the promotional job in the times stipulated and with greater achievements, besides injecting the professionalism that is required in the industry of the promotions in Mexico.

These services are offered in many different combinations, according to the relevancy of the event, if it is an eventual one, if it is a permanent need and so forth; they depend on the complexity of the business, some are coordinated by little companies or individuals, by complete Business Corporate Departments specialized in the Sales Administration and Development of Promotional Investment Projects with Marketing and Sales Promotions. Others are executed by Integral Services specially developed for leading massive national Consumption Brands, 100% focused to increase sales and expanding potential consumers portfolio, as principal results for the Client Companies.

These services have to be specialized in personnel & executive staffs, external personnel payroll & outsourcing projects; design, supervision and purchase of promotional, advertising and merchandising materials; through management and development of specially designed strategies for massive products and marketing services, from a very difficult industry as the Commercial and Banking Markets, up to many other specialized promotional, commercializing in permanent basis many channels as the following:

CHANNELS

- Super Centers,
- Traditional Changarros & Miscellaneous Stores,
- Convenience Stores,
- Departmental Stores,
- Pharmacies,
- Warehouses,
- Depots,
- Malls,
- Restaurant & Bars,
- Furniture Stores,
- Toy Stores,
- Specialized Stores,
- House to House segment,
- Sporting Clubs,
- Schools and Universities,
- Hotels,
- Rotary Clubs,
- Street and Banks.



The FAO Schwarz bear sitting outside the flagship Fifth Avenue store.



Azieli shopping mall in Tel Aviv is the city's largest shopping center



* Big-box store is a term that refers to a style of physically large chain store, and by extension to the company behind the store. The terms superstore, megastore, and supercenter also refer to these retail establishments.

Characteristics

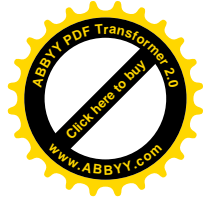
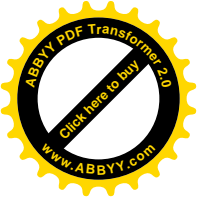
Typical characteristics include the following:

Large, free-standing, rectangular, generally single-floor structure built on a concrete slab. The flat roof and ceiling trusses are generally made of steel, the walls are concrete block clad in metal or masonry siding.

Floor space several times greater than traditional retailers in the sector; in North America, generally more than 50,000 square feet (4650 m²), sometimes approaching 200,000 square feet (18,600 m²), though varying by sector and market. In countries where space is at a premium, such as the UK, the relevant numbers are a fraction of that. Location in suburban or rural areas, often in proximity to freeway cloverleaf interchanges, as opposed to downtown shopping districts. This design provides space for a large amount of merchandise and serves as an enormous billboard to attract customers. It is particularly favored by volume discount retailers.

TYPES

Generally, big-box stores can be broken down into two categories: general merchandisers, such as Wal-Mart and Target, and so-called category killers—such as Home Depot, Barnes and Noble, or Circuit City—which specialise in goods within a specific range, such as hardware, books, or electronics. In recent years, many traditional retailers—such as Tesco and Praktiker—have opened stores in the big-box-store format in an effort to compete with big box-chains, which are expanding internationally as their home markets reach maturity.

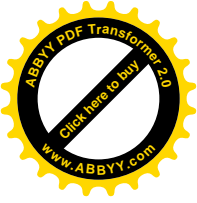


4. PROMOTIONAL GLOSSARY

The promotional world is so vast that it has its own particular language. It combines different glossary words as in the marketing world, the related to the sales and administration world and also includes many of the publicity technique words, because of its particular interrelation with all of these areas.

(<http://www.amapro.com.mx/glosario.php?navletter=A>)

- ABOVE-THE-LINE ADVERTISING
- BELOW THE LINE
- OPTIONAL-FEATURE PRICING
- ACCOMMODATION BILL
- ACCOUNT SUPERVISOR
- PRODUCT ACCEPTANCE
- ACORN
- BRAND ATTITUDE
- ACTIVE CUSTOMER
- ACTIVITY SAMPLING
- PUFF
- COMPENSATION DEAL
- AD AWARENESS
- AD HOC
- B2B
- B2C
- B2I
- BACK-END
- BANDED-PACKS
- BANNER
- C2C
- CALL ANALYSIS
- CALL REPORT
- SATURATION CAMPAIGN
- SALES CAMPAIGN
- CAMPAIGN
- CAPITAL ITEMS
- CAR CARDS
- CASE ALLOWANCE
- CASH REBATE
- CASTING
- MADA
- DAGMAR
- DATA ANALYST
- DATA WAREHOUSE
- DATABASE ADMINISTRATOR
- DATABASE MARKETING
- DAY-AFTER RECALL
- DEADBEAT
- DEAL
- DEALER
- DEALER AID
- DEALER LEADERS
- DEALER TAG
- DECISION MODELS
- EARLY ADOPTERS
- EARLY MAJORITY
- ECONOMIC INDICATORS
- ECONOMIC VALUE TO THE COSTUMER
- EFFICIENCY RATING
- EPIDEMICAL MODEL
- ERP (ENTERPRISE RESOURCE PLANNING)
- COMPETITIVE STRATEGY
- DIVESTING STRATEGY
- CONCENTRIC DIVERSIFICATION STRATEGY
- FACE VALUE
- FACE-TO-FACE SELLING
- FACED MAIL
- FACTOR ANALYSIS
- FALLING DEMAND
- FAMILY BRAND
- FAST MOVING CONSUMER GOODS
- FEAR APPEAL
- FEEDBACK
- FIELD RESEARCH
- FIELDWORK
- FILLER
- GAFFER
- GAFFOON
- GALVANOMETRIC RESPONSE
- GAMES
- GAMES THEORY
- GAP ANALYSIS
- GENERIC COMPETITORS
- GENERIC TERM
- GEOGRAPHIC SEGMENTATION
- GEOGRAPHICAL CONCENTRATION
- GIF (GRAPHIC INTERCHANGE FORMAT)
- GIFT CARD
- GIFT-WITH-PURCHASE OFFER
- GIVE-AWAY MAGAZINES
- HAGGLE
- HARD GOODS
- HARD SELLING
- HARD-HEADED
- HARDWARE
- HEADHUNTER
- HEAVY USERS
- HEAVY VIEWER (G.B)
- HEAVY-UP
- HIERARCHY OF NEEDS
- HIGH-INVOLVEMENT MODEL
- HIGH-INVOLVEMENT PRODUCTS
- HIGH-PRESSURE SELLING TECHNIQUE
- HYPER MARKETING
- HISPANIC MARKETING
- IDEAL MODEL POINT
- FILM ID
- BACKLIGHTING
- IMAGE
- CORPORATE IMAGE
- BRAND IMAGE
- DESIRED IMAGE
- STOP MOTION
- DISSOLVE
- CURRENT IMAGE
- IMAGE COMMUNICATION
- IMAGE PRICING
- IMPACT
- JOBBER
- JOINT VENTURE
- JUMBLE DISPLAY
- PLANS BOARD
- JUST-IN-TIME
- KEY PROSPECTS
- KEYED ADVERTISEMENT
- KINKED DEMAND
- KIOSK
- PURCHASE LABORATORIES
- LAGGARDS
- LAID-BACK COMPETITOR
- LAUNCH
- LAST IN FIRST OUT (LIFO)
- LATE MAJORITY
- LATENT DEMAND
- LATENT MARKET
- LATERAL DIVERSIFICATION
- LAYOUT
- LOSS-LEADER PRICING
- CHANNEL CAPTAIN
- MARKET LEADER
- THOUGHT-LEADERS
- MICROENVIRONMENT
- MAGAZINE COUPON
- MAIL COUNT
- MAILING LIST
- MAKE GOOD
- SAMPLE CASE
- MANDATORY COPY
- HOLD
- MANUAL
- SALES MANUAL
- MANUFACTURER'S AGENT
- MANUSCRIPT
- FLANKER BRAND
- NAME-RESEARCH PROCEDURES
- ORANGES GOODS
- NATURAL MARKET SEGMENTS
- NEED
- NEED, COSTUMER POINT OF VIEW
- NEED RECOGNITION
- NEED SATISFACTION
- SALES APPROACH
- BIOGENIC NEEDS
- HIERARCHY OF NEEDS
- NEGATIVE DEMAND
- NEGOTIATIONS
- BARGAIN
- BUSINESS PROMOTION TOOLS



- OBJECTIVE AND TASK
- OBSERVATIONAL METHOD
- UNIQUE SELLING PROPOSITION (USP)
- BOX TOP OFFER
- SPECIFIC OFFER
- CASE ALLOWANCE
- SEMI LIQUIDATOR
- SAMPLING OFFERS
- OFF-CARD (E.U.A)
- OFF-LINE
- OFF-PRIME TIME
- OFFSET-LITHO
- TRAFFIC AUDIT BUREAU
- OLIGOPOLY
- P2P
- PACKAGE INSERT
- PAGE RATE
- PAGE VIEWS
- PALLET
- PANEL
- Q-RATING
- QUARTERLY
- QUESTION MARK
- QUOTA SAMPLE
- RAGGED
- RANDOM SAMPLE
- BURST
- SAFETY
- SAFETY STOCK
- SALES ANALYSIS
- SALES CAMPAIGN
- SALES CONVERSION RATE
- SALES IMPACT
- SALES INCENTIVES
- SALES KIT
- SALES LEAD
- SALES LITERATURE
- SALES MANUAL
- SALES ORGANIZATION
- SALES POLICES
- SALES PORTFOLIO
- SALES RECORDS
- TARGET GROUP INDEX (TGI)
- TARGET MARKETING
- TARGET MARKETING STEPS
- TARGET-RETURN PRICING
- TARGETED MARKETING
- TELEMARKETING
- TELEMARKETING INBOUND
- TELEMARKETING OUTBOUND
- STATISTICAL DECISION THEORY
- TERTIARY READERSHIP
- TEST MARKET
- ULTIMATE CONSUMER
- UNAIDED RECALL
- UNBUNDLING OF GOOD AND SERVICES
- UNDIFFERENTIATED MARKETING
- UNDUPLICATED AUDIENCE
- UNIQUE SELLING PROPOSITION (USP)
- UNIVERSE
- UNSOUGHT GOODS
- UNSUBSCRIBE
- UNTAPPED MARKET
- UP - SELLING
- UPGRADEABILITY
- USABILITY
- USER
- POTENTIAL USER
- VACILLATING CUSTOMER
- VALS
- VALUE FOR MONEY
- VALUE JUDGMENT
- VALUE-ADDED RESELLERS
- VALUED IMPRESSIONS PER POUND (VIP)
- VARIABILITY OF SERVICES
- VENDING MACHINE
- SELF-SERVICE RETAILING
- VERTICAL INTEGRATION
- WAITING TIME
- WANT
- WAREHOUSE
- WAREHOUSE CLUB
- WASTE CIRCULATION
- WEBER'S LAW
- WEIGH COUNT
- WEIGHTED-INDEX METHOD
- WHITE GOODS
- WHITE MAIL
- WHITE-COAT RULE
- WHOLESALER
- WIDOW
- WINDOW SHOPPING
- WORD OF MOUTH
- YELLOW GOODS
- YES/NO OPTION
- YIELD
- ZAPPING
- ZONE OF AGREEMENT.

5. DIFFICULTIES

The main difficulty for this kind of providers is to maintain excellent staff people with lower salaries and with low fees paid by companies, because the own dynamic provokes enormous rotation, drastically affecting the Human Resources department. This rotation makes very expensive to invest in different courses and specific trainings needed to develop a consistent and coherent sales force, as much as a staff pool for long term basis. The companies and their Directors have to be highly creative, deploy innovative ideas and concepts and collaborate across the organization to meet prospect client needs.

They must have great ability to resolve complex issues, identify sales process solutions and turn organization onto new paths to success amid fast-paced work environment. They have to be problem solvers, decision-makers, organizational aligned, workflow managers, effective communicators, all at once, all in a brief time space and always offering the best rates possible, so they keep maintaining the customers satisfied. They must be able and comfortable for working in a fast paced business with multiple brands, product lines and sales channels. They have to be able to effectively lead cross-functional teams and build processes to deliver results.



The Directors must be strongly analytical, strategic planning and have financial acumen and must be used to communicate both oral and written with both internal and external audiences in any environment.



6. TAXES (IMSS, SAT, OTHERS)

First of all it is important to know about the obligations you have in Mexico as a Person and as a Company, in order to fulfill the requirements, have assessment about it and to assure that you taxes are paid correctly in amount, properly on time and with the adequate strategy for paying what must be and not paying more than it should be.

THE MEXICAN SOCIAL SECURITY INSTITUTE

(Spanish: Instituto Mexicano del Seguro Social, IMSS) a governmental organization that attends to public health, pensions and social security in Mexico. The Mexican Social Security Institute (Spanish: Instituto Mexicano del Seguro Social, IMSS) a governmental organization that attends to public health, pensions and social security in Mexico. It was founded by President Manuel Ávila Camacho on January 19th, 1943. It is the biggest social institution in Latin America.

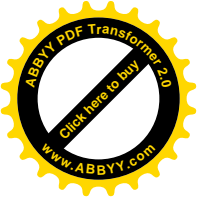


SECRETARIAT OF FINANCE AND PUBLIC CREDIT

The Secretariat of Finance and Public Credit (Secretaría de Hacienda y Crédito Público or SHCP) is Mexico's finance ministry. The Secretary of Finance and Public Credit is a member of the federal executive cabinet and is appointed by the President of the Republic. In Mexico the Secretary of Finance is the head of the Secretariat of Finance and Public Credit. This position is analogous to the Secretary of the Treasury in the United States of America or to the finance ministers of other nations.

The current Secretary of Finance is Agustín Carstens Carstens.

As you have seen, the Mexican laws are not easy, and Mexico is not considered as the most transparent and honest country either, but as it is a series of laws that as a whole must be complimented and companies must comply with, it must be reviewed in detail.



TAXES

The screenshot shows the Transparency International website interface. At the top, there is a navigation menu with links for home, about us, contact us, jobs at TI, sitemap, faq, Chapter Zone, and a search bar. Below the navigation is the TI logo and the tagline 'the global coalition against corruption'. A banner at the top right reads 'CORRUPTION RUINS LIVES. FIGHT BACK.' with a photo of three children. Below the banner is another navigation menu with links for news room, global priorities, regional pages, policy and research, tools, publications, and support us. The main content area is divided into several sections: 'FOR JOURNALISTS' with links to top stories, newsletter, and media contacts; 'OUR WORK AROUND THE WORLD' with regional links; 'CORRUPTION: LEARN ABOUT IT' with links to FAQs and surveys; and a 'SPOTLIGHT' section with news items. A 'YOUR FAVOURITES' section is also visible. At the bottom, there is a large section for the 'Corruption Perceptions Index 2007' featuring a world map color-coded by score and a legend on the right.

Corruption Perceptions Index 2007

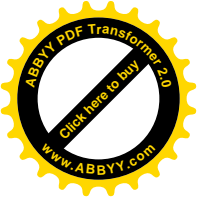
Color	Score Range
Lightest Yellow	9.0 - 10.0
Yellow	8.0 - 8.9
Light Orange	7.0 - 7.9
Orange	6.0 - 6.9
Dark Orange	5.0 - 5.9
Red-Orange	4.0 - 4.9
Red	3.0 - 3.9
Dark Red	2.0 - 2.9
Brown	1.0 - 1.9
White	no data

Explanatory notes*

* **CPI Score** relates to perceptions of the degree of corruption as seen by business people and country analysts, and ranges between 10 (highly clean) and 0 (highly corrupt).

** **Confidence range** provides a range of possible values of the CPI score. This reflects how a country's score may vary, depending on measurement precision. Nominally, with 5 percent probability the score is above this range and with another 5 percent it is below. However, particularly when only few sources are available, an unbiased estimate of the mean coverage probability is lower than the nominal value of 90%.

*** **Surveys used** refers to the number of surveys that assessed a country's performance. 14 surveys and expert assessments were used and at least 3 were required for a country to be included in the CPI.



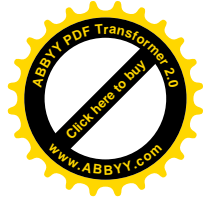
2007 CORRUPTION PERCEPTIONS INDEX
REGIONAL HIGHLIGHTS: AMERICAS

The 2007 CPI shows that corruption remains a serious challenge in the 32 countries it includes from the Americas, though some progress is being made. Costa Rica, among other countries, reflects significant improvement in its 2007 score. Uruguay and Canada, among others, has maintained a relatively high score in past years. Belize, on the other hand, is one country with an increase on how widespread corruption is perceived to be. Nonetheless, good performance cannot be taken for granted and further action is needed to remedy remaining corruption risks and to ensure that previous anti-corruption efforts are sustainable.

In the Americas, the anti-corruption fight remains far from being victorious. A third of the countries scored below three, indicating that corruption is perceived as rampant. Slightly more than two-fifths scored between 3 and 5 indicating that the levels of corruption among public officials and politicians are perceived to be serious by country experts and businesspeople. Only 8 out of the 32 countries are above the middle range score of 5. This is alarming considering the obvious links between corruption and the high levels of poverty, inequality and violence in the region. For more than a decade, the region has had a comprehensive anti-corruption framework in place, the Inter-American Convention against Corruption a legal instrument that provides a framework for fighting corruption and is ratified by 33 countries. This tool is now reinforced by the United Nations Convention against Corruption. It is high time that countries move towards effective implementation of these provisions in the hemisphere.

The case of Costa Rica may serve to illustrate the importance of having autonomous and respected institutions in place that can help to adequately fight corruption. Just a few years ago the country experienced a decrease in its CPI score, which could be attributed mainly to the fact that former presidents and high level officials have been found to be involved in bribery scandals. The independence and actions of the justice system in taking up the cases possibly contributed to an improved image of the government and politicians in the eyes of the expert community responsible for rating the countries listed in the CPI.

Country Rank	Regional Country Rank	Country /Territory	CPI Score 2007	Confidence Intervals	Surveys Used
9	1	Canada	8.7	8.3 - 9.1	6
20	2	USA	7.2	6.5 - 7.6	8
22	3	Chile	7.0	6.5 - 7.4	7
23	4	Barbados	6.9	6.6 - 7.1	4
24	5	Saint Lucia	6.8	6.1 - 7.1	3
25	6	Uruguay	6.7	6.4 - 7.0	5
30	7	Saint Vincent and the Grenadines	6.1	4.0 - 7.1	3
37	8	Dominica	5.6	4.0 - 6.1	3
46	9	Costa Rica	5.0	4.7 - 5.3	5
61	10	Cuba	4.2	3.5 - 4.7	4
67	11	El Salvador	4.0	3.2 - 4.6	5
68	12	Colombia	3.8	3.4 - 4.3	7
72	13	Suriname	3.5	3.0 - 3.9	4
72	13	Mexico	3.5	3.3 - 3.8	7
72	13	Peru	3.5	3.4 - 3.7	5
72	13	Brazil	3.5	3.2 - 4.0	7
79	17	Grenada	3.4	2.0 - 4.1	3
79	17	Trinidad and Tobago	3.4	2.7 - 3.9	4
84	19	Jamaica	3.3	3.1 - 3.4	5
94	20	Panama	3.2	2.8 - 3.4	5



I believe that analyzing comparisons make us wiser. Let's take a look to a foreign overview about taxes and obligations. After it, let's take a look as a nationals or Mexican view.

TAXES IN MEXICO: WHAT ARE YOU UP AGAINST?

I am always a little surprised at the number of people that we meet that believe Mexico is a bona fide tax haven. Mexico is a tax haven only to the extent that the country has not had the resources or will to enforce its own laws.

In fact, the country has one of the lowest tax collections as a percentage of its GDP in Latin America and among the member nations of the Organization of Economic Cooperation and Development.

The needs of the country and the demands of a new found sense of democracy are forcing the government to make its tax collections more efficient and fair, pursuant both to the existing laws and to the international tax treaties that Mexico has signed with several countries. The purpose of this article is to summarize the major taxes that the foreign community is exposed to in Mexico.

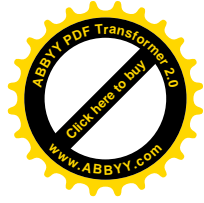
TAX RESIDENCE AND TAX TREATIES

Mexican tax residents are taxed differently than non-residents. As a general rule, non-residents are subject to higher taxes than residents.

The tax treaties Mexico has signed and local law establish who is a tax resident. Tax treaties also set forth the tax rates for different types of income. The main purposes of these treaties, however, are to provide the manner in which double taxation will be minimized, as well as to establish how countries will exchange information on their respective taxpayers. The Canadian and US tax treaties both establish that nationals of their country who are resident in Mexico may be subject to Mexican income taxes pursuant to local law.

As of 2004 the Mexican fiscal code has a new definition of "tax resident". Before 2004, a person needed to be in the country 183 days to be considered a tax resident. As of this year, tax residents are all those who have established an abode in Mexico irrespective of the time they have spent in the country. The law also provides that if they have one home in Mexico and another abroad, they are considered a tax resident in the place where they have their center of vital interests. Mexico will consider that that center of vital interests is in Mexico if over 50% of their income is derived from Mexican sources.

The main repercussion for the foreign residents is the effect it will have on the ability of foreign residents to obtain a homestead exemption on the sale of their principal residence in Mexico. If the homeowner has only one home, and that home is in Mexico, then they should be able to get a homestead exemption. However, if they have one home in Mexico and another in the US, it will be more difficult for the homeowner to get an exemption, especially if their income is not derived from Mexican sources.



In practice, it will be very difficult for the Notario, the attorney required by law to draft the deed and withhold taxes, to know if the homeowner has another home outside the country. However, I can see that some Notario's may request to see a Mexican tax return to prove that homeowner does in fact have his or her center of vital interest in the country.

The flip side is that those foreign residents that have a home in Mexico and abroad, and who derive most of their income from sources outside of Mexico, need not worry about reporting and paying Mexican income taxes. A clear example of these people is "snow birds" that spend six months in Mexico and six months abroad.

INCOME TAXES

Mexico taxes its residents on worldwide income pursuant to Article 1 of the income tax law. It is important to note that Mexico allows for a foreign tax credit for any taxes paid outside of Mexico. The US and Canada also allow for foreign tax credits. In effect, the taxpayer will pay taxes in both countries, but will also have offsetting tax credits. The net result is that the taxpayer usually pays an amount of taxes equivalent to the highest tax bracket among both countries.

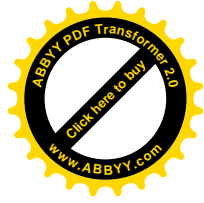
As of last year, Mexican financial institutions have begun to request that US citizens provide a US social security number in order to open an account in Mexico.

While I have not heard if the SAT (the Mexican equivalent to the IRS) is sharing any information with the US at this point, this is clearly the intent. Once the Mexican authorities have access to the taxpayer's social security number they can also receive tax information from the IRS on that particular individual. Eventually, the US and Mexico will regularly exchange information on their taxpayers, just as Canada and the US do now.

If you have a bank account in Mexico that pays interest, the financial institution will withhold a small percentage of your principal for income taxes. If you are not a resident, this is the most you will pay on this particular income and you will not need to file a Mexican tax return. If you are resident, you can generally credit this amount on your annual Mexican tax return.

Mexico does not have the problem of double taxation of dividends that the US has. Dividends paid by Mexican corporations are usually paid after tax and are received by Mexican residents' tax free. Non-residents will pay a tax in Mexico pursuant to treaty rates.

Rental income generated in Mexico is taxed at regular income tax rates, after deducting actual expenses or a blind deduction of 35%, whichever is greater. This provision applies to residents. Non-residents pay a flat 25% on the gross income. Both residents and non-residents may be required to charge valued added taxes and may also need to charge a 2% hotel tax, depending on the circumstances. While it has been relatively easy to avoid taxes on Mexican rental income, some jurisdictions, for example in San Miguel de Allende, are cracking down on those persons who are not paying income taxes on rental income.



CAPITAL GAINS TAXES

The concept of capital gains taxes is not as well developed in Mexico as it is in the US or Canada. Generally, the tax rate applied to gains is the same as the taxpayer's marginal tax bracket. Most expatriates will face a capital gains issue when they sell Mexican real estate. Non-residents must pay either 25% of the gross amount of the transaction or the amount resulting from applying the highest marginal income tax rate in Mexico to the gain, whichever is lower.

Mexican tax residents can obtain capital gains exemption of the sale of a principal residence. If the property is not a principal residence, they must pay taxes on the gain based on their marginal tax bracket. The Notario will withhold a percentage of the gain and the taxpayer must pay the difference, or apply for a credit, with his or her annual tax return.

How the gain on the sale of real estate is calculated is based on the "declared value" stated in the deed, known in Mexico as the "escritura". Historically, the declared value has been significantly lower than the fair market value. Often, the purpose of having a lower value is to pay less in the way of transfer taxes. While common practice, the habit of declaring a value that is less than the fair market value is not legal in most states. The Mexican tax authorities have realized that they are losing significant amounts of tax revenue by not paying closer attention to these declared values and have begun to scrutinize these transactions more closely. The result is that the declared values in many parts of Mexico are much closer to the fair market values than they were ten years ago.

One result of this increased scrutiny is that Notarios are much more careful about the declared value they are willing to accept in the deeds that they prepare. Therefore, people that have artificially low declared values in their deeds may need to pay more in capital gains than they would have otherwise if they had used the transaction value. We have even seen people sell real estate at a loss and still have to pay capital gains taxes.

Our recommendation is to make sure that the value declared on the deed is as close to the full transaction cost as possible. Gains from the sale of securities traded in the Mexico are tax free. Interestingly, the stocks of the Dow Jones Industrial average began trading on the Mexican exchange in 2003, but currently these are only available to institutional investors.

OTHER TAXES

Property taxes on real estate in Mexico, called predial, are low compared to other parts of the world. Depending on which part of the country you live in, you may not necessarily receive a bill in the mail. You may need to go to the local property tax office to request a bill.

The tax on Mexican plated automobiles, tenencia, is often more than the real estate property tax bill! Again, depending on where you live in the country, you may need to go to the corresponding local office to ask for the bill. A new law was passed in 2003 that will require that residents with an FM-3 pay tenencia on their US plated vehicles. However, I have not heard if the authorities have begun to enforce this law as of yet.