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COLOMBIA SETS TAX-EXEMPT PENSION CONTRIBUTIONS FOR 2019

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From 1 Jan 2019, pension contributions to individual accounts in Colombia's mandatory pension system are tax exempt up to 25% (salary minus employee contributions), capped at 2,500 tax units (UVT). In the event of withdrawal for purposes other than pension, contributions made after 2013 are taxed at 35%.

The UVT measures limits and thresholds previously set in absolute numbers and is adjusted annually by decree. For 2019, the UVT is equivalent to COP \$34,270.

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