



EMPLOYMENT STATUS Mauve Group have a company set up in Mexico called Business Consulting by Mauve, S.A. de C.V. The Mexican company will be the sponsor of the temporary resident visa (TRV) for expatriate workers. We use the services of a local immigration lawyer to submit the TRV applications.

There are two employment options for workers in Mexico: either they remain on a foreign payroll employed through White Coral Consulting DMCC or they are employed through our Mexican company. This will be dependent on the type of employment contract issued. Local nationals will be employed by our Mexican company. In both cases, our Mexican company will sponsor the TRV for expatriate employees.

PAYROLL For expatriate employees of White Coral Consulting DMCC on a foreign payroll, salaries will be paid into a bank account of their choice, providing this is not a Mexican bank account.

For Mexican nationals and expatriates on a Mexico Payroll, Business Consulting by Mauve, S.A. de C.V will pay the total salary (in Pesos) and make the tax and SS payments to the Mexican social security institute (IMSS).

TAX & SOCIAL SECURITY Individual income tax rates in Mexico are progressive from 0% - 30% An employee will receive a tax certificate once a year. It is known in Spanish as "Constancia de percepciones y deducciones" and it states the income received and the tax withheld in the year. Employees will also be issued with this certificate at the end of their contract.

Employer's social security is approximately 33.9% and employee's social security is approximately 3%

There are surcharges and penalties if tax and social security payments are not made on time.

IMMIGRATION To work in Mexico, expatriates must apply for a temporary resident visa (TRV) before entering Mexico. The TRV is intended for people who wish to live and work in Mexico for more than 6 months and not longer than 4 years. Under the terms of the temporary resident visa, employees are authorised to only undertake certain specific activities which may be lucrative or non-lucrative, depending on the visa's classification. The TRV gives work permissions and allows unlimited entries and exits from Mexico.

According to new immigration rules, there are two options to obtain the proper authorisation for the expatriate employees. They can either be employees of a foreign company e.g. White Coral or employees of a Mexican company e.g. Business Consulting by Mauve, S.A. de C.V.

Option 1 – Foreign Payroll – White Coral (non-lucrative activities) If the employee is to remain on a foreign payroll, he/she must apply for the TRV directly at the Mexican Embassy/Consulate in his/her home country or country of residence prior to arrival in Mexico. The TRV will be sponsored by Mauve Mexico but the individual will remain on a foreign payroll and White Coral will pay the salary.

Option 2 – Local Payroll – Mauve Mexico (lucrative activities) If the individual is to be on the Mexican payroll, our local immigration lawyer will request an authorisation (approval) for the respective employee of the Mexican company. Once the authorisation is received, the TRV application will be filed by our immigration lawyer at the local immigration office in Mexico. The TRV application will take approximately 3 weeks for approval after which the immigration office will provide official authorisation for the foreign employee to go to the Mexican Embassy/Consulate in his/her home country or country of residence with the required documents to have the visa stamped in his/her passport. Our Mexican company will employ the individual, be the sponsor of the work permit and pay the salary in Mexico.

In both cases, once the employee arrives in Mexico, he/she will have a 30 day period to visit the local INM office who will issue the residence card with work permission for one year.

The TRV is valid for 1 year and can be renewed every year up to 4 years.

ABOUT MEXICO Capital: Mexico City
Dialing code: +52
Population: 46.77 million
Currency: Mexican peso
Continent: North America

Email: customerservices@mauvegroup.com
Tel CY: +357 26 818210
Tel UK: +44 1904 550530
Tel UAE: +971 44328528