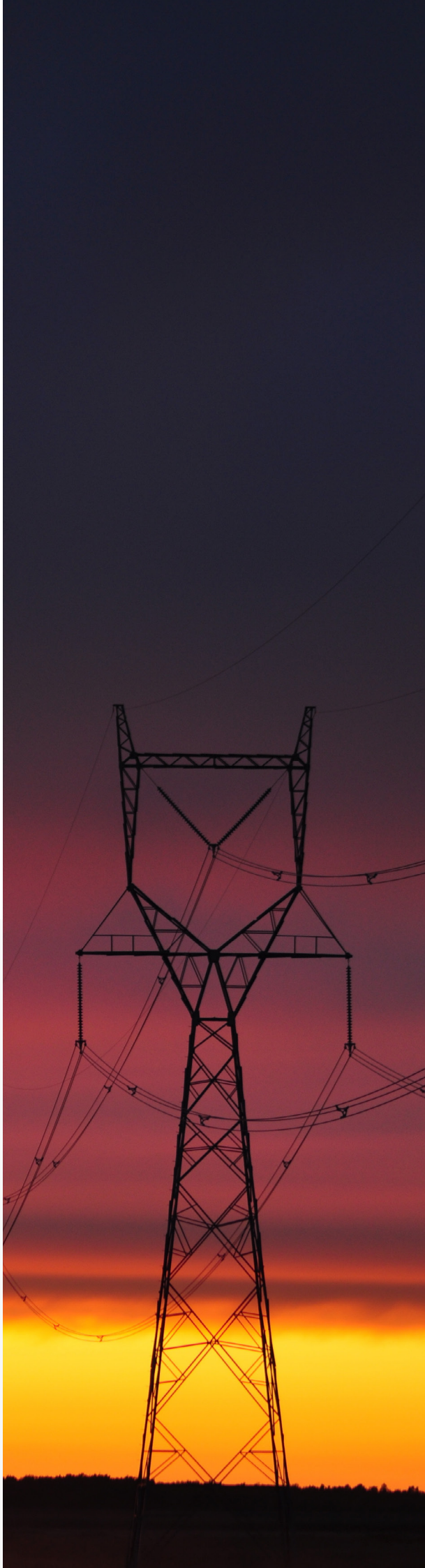
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LEGAL BULLETIN

Energy Bulletin: Tax Amendments For Goods Intended For Electrical Infrastructure

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Energy Bulletin:
Tax Amendments For Goods Intended For Electrical Infrastructure

Through Executive Decree No. 530 dated November 10, 2026 (the "**Executive Decree**") and Ministerial Agreement No. MAE-MAE-2026-0118-AM, published in the Seventh Supplement to Official Gazette No. 407 dated November 11, 2026 (the "**Ministerial Agreement**"), a 0% Value Added Tax ("**VAT**") rate and a 0% Outflow Tax ("**ISD**") rate are established for goods used in electrical energy infrastructure.

1. 0% VAT Rate

Under the Executive Decree, the acquisition and importation of equipment, turbines, inverters, generators, machinery, materials, supplies, components, systems and installations, as well as their parts, pieces and accessories, intended for the installation, expansion, rehabilitation, repowering, operation and maintenance of infrastructure for the generation, transmission, distribution, storage and commercialization of electricity, are subject to a 0% VAT rate.

This includes goods related to thermal, wind, hydroelectric, solar photovoltaic, geothermal, tidal, wave, biomass, biogas, green hydrogen, nuclear and other transitional energy sources, as well as energy storage systems. Infrastructure for Autonomous Energy Districts is also included, whether or not connected to the National Interconnected System, in accordance with their corresponding operating authorizations.

More specifically, the goods eligible for the 0% VAT rate are those expressly listed in the Ministerial Agreement.

Pursuant to the Sole Transitional Provision of the Executive Decree, VAT paid between January 1, 2026 and the effective date of the reform on the acquisition or importation of these goods may be recorded as a deductible expense for 2026 Income Tax purposes.

This treatment applies provided that such VAT has not been used as a tax credit or offset against VAT generated on sales. These amounts may not subsequently be used as a tax credit or be subject to refund or offset, and records must be maintained to allow verification of the corresponding transactions.

2. 0% ISD Rate

The Executive Decree establishes a 0% ISD rate for payments made in connection with the importation of goods classified under the tariff subheadings detailed in the Ministerial Agreement.

For more information, please contact:

- Rafael Valdivieso: **rvaldivieso@bustamantefabara.com**
- Gustavo Almeida: **galmeida@bustamantefabara.com**
- Bruno Pesantes: **bpesantes@bustamantefabara.com**