
FORMALITIES BEFORE THE SECRETARIAT OF ECONOMY

The Secretariat of Economy carries out the following formalities:

- a) The necessary permits for the incorporation of a Mexican corporation:
 - i. Authorization for the use of the corporate name or business name; and
 - ii. Notice of use of the corporate name or business name.
- b) Authorization to regularly engage in acts of commerce or establish offices of representation in national territory.

A. FORMALITIES FOR THE INCORPORATION OF COMPANIES

Mexican corporations must have a name that distinguish them from others, regardless of their legal regime, type or mode. For this reason, it is necessary to obtain an authorization to use a company name, before drawing up the deed of incorporation. This formality is carried out before the Secretariat of Economy.

A.1. AUTHORIZATION FOR THE USE OF THE CORPORATE NAME OR BUSINESS NAME.

Where to apply for authorization?

Submissions may be done online through the website [tuempresa](#). To access the system it is necessary to have a valid advanced electronic signature (*e.firma*) issued by the Tax Administration Service (SAT, in Spanish) and create an account.

Interested parties may also attend the offices of the Directorate General of Commercial Regulations¹ or to the closest delegations or sub delegations of the Secretariat of Economy ([Delegación o Subdelegación de la SE](#), in Spanish). Reception is from Monday to Friday from 9:00 to 14:00 hours.

¹ Insurgentes Sur 1940, 1st floor, Colonia Florida, Álvaro Obregón, Mexico City.

How is the procedure carried out?

1. The Secretariat of Economy will ask the applicant to submit the corporate name that he intends to use (up to five names may be submitted), in order to confirm its availability and the absence of prohibitions and conditions for its use.
If more than one applicant request the same name, the system will allow its reservation only to the person who requested it in the first place.
2. The Secretariat of Economy will have a maximum period of two business days to solve the request.
3. If the authorization is granted, the applicant may reserve the authorized name. To do so, the applicant will have to provide the name of the public notary with whom he intends to incorporate the company and select its legal regime. The reservation will be valid for forty-eight hours after the expiration of the authority's time limit to solve the request.
4. The applicant will be asked to ratify its commitment to give notice of the use of the corporate name, in order to avoid the loss of exclusivity in its use.

Does it cost?

The procedure for the authorization is cost-free.

Authority's response time

Two business days.

A.2. NOTICE OF USE OF THE CORPORATE NAME OR BUSINESS NAME.

Interested parties must communicate to the Secretariat of Economy that they have used the authorized corporate or business name for the constitution of a new legal entity or for the formalization of the change of corporate name of a company or association already created.

How is the procedure carried out?

The authorized public notary or public server ([Fedatario Público Autorizado o Servidor Público](#), in Spanish) must give notice of the use through the website ([portal](#), in Spanish) within the 180 days following the date of the authorization. Notice of use may also be submitted personally at the offices of the Directorate General of Commercial Regulations or in any of the delegations or sub-delegations of the Secretariat of Economy.

Finally, in the case of the Simplified Joint Stock Companies, the notice of use will be issued automatically when the Secretariat of Economy validates the deed of incorporation through the electronic system.

Does it cost?

The procedure is cost-free.

B. AUTHORIZATION TO REGULARLY ENGAGE IN ACTS OF COMMERCE OR ESTABLISH OFFICES OF REPRESENTATION IN NATIONAL TERRITORY.

Foreign legal entities must obtain an authorization from the Secretariat of Economy and their inscription at the Public Registry of Commerce in order to be able to engage regularly in acts of commerce in Mexico.

Where to apply for the authorization?

At the Directorate General of Foreign Investment² or the closest delegation and sub-delegation of the Secretariat of Economy³. Reception is from Monday to Friday from 9:00 to 14:00 hours.

² Insurgentes Sur 1940, 8th floor, Colonia Florida, Álvaro Obregón, Mexico City.

³ [State Delegations and Representations](#)

Likewise, this procedure can be submitted through the website System of Legal Affairs for Foreign Investment (<https://sajie.economia.gob.mx>), by only using a valid e-mail account and an *e.firma* (also known as advanced electronic signature) issued by the Tax Administration Service (SAT, in Spanish).

Which documents are needed?

- i. Written application, original and copy, that contains:
 - a) Name of the foreign company requesting the authorization.
 - b) Name of the legal representative or the person with power of attorney.
 - c) Address for notifications and, if it is the case, name of the individuals who can receive them on behalf of the company.
 - d) Facts or reasons giving rise to the request.
 - e) Precise details of the activity to be performed in Mexico.
 - f) Place and date of the request.
 - g) Signature of the legal representative or the person with power of attorney that is promoting on behalf of the company.
- ii. Proxy signed before a public notary in favor of the person that is promoting on behalf of the company. If the power was granted abroad, it must be duly legalized or apostilled and translated to Spanish by a professional translator. The translation must cover the full document, including the apostille. If the proxy was simultaneously drafted in Spanish and other language, translation will be required for the parts in a language other than Spanish, as in the case of the apostille.
- iii. Deed of incorporation of the company, duly legalized or apostilled and translated to Spanish by a professional translator.
- iv. Current corporate by-laws duly legalized or apostilled and translated to Spanish by a professional translator.
- v. Receipt of payment of applicable fees.
- vi. Other documents. If the company has had changes in its corporate name, a merger or any other changes, original and copy of the documents attesting such modifications must be

attached. These documents must be duly legalized or apostilled and translated to Spanish by a professional translator.

The documents must be submitted in original and copy. Once the documents are analyzed, the originals with the exception of the written application and receipt of payment of fees, will be returned to the applicant at the time of the reception.

Does it cost?

Yes. \$1,886.00 MXN. To expedite the payment, please use the form [e5cinco](#).

What to do after the authorization to regularly engage in acts of commerce is granted?

- i. Communicate to the Directorate General of Foreign Investment the address and the name of the person that will represent the company in Mexico, only in case that this information was not mentioned in the application.
- ii. Publish the authorization in the Official Gazette of the Federation.
- iii. Inscribe the company at the Public Registry of Commerce and at the National Registry of Foreign Investments.
- iv. Inform the Directorate General of Foreign Investment on the registration at the Public Registry of Commerce, indicating the number of inscription that was granted.

What to do after the authorization to establish an office of representation is granted?

- i. Communicate to the Directorate General of Foreign Investment the address and the name of the person that will represent the company in Mexico, only in case that this information was not mentioned in the application.
- ii. Inform in writing to the Directorate General of Foreign Investment on the beginning of operations of the office of representation.

This type of authorization does not include authorization to engage in acts of commerce.

B.1. EXCEPTIONS.

Foreign legal entities constituted in accordance to the laws of countries with which Mexico has signed free trade agreements, or the laws of World Trade Organization member countries are not required to apply for an authorization to develop commercial activities in Mexico. They only need to submit a written statement to the Directorate General of Foreign Investment.

Which documents are needed?

- a. A written statement containing:
 - i. Name of the requesting foreign company.
 - ii. Name of the legal representative or the person with power of attorney promoting on behalf of the company.
 - iii. Address for notifications and, if it is the case, individuals that can receive them on behalf of the company.
 - iv. An oath to tell the truth:
 - Declaring that the deed of incorporation, by-laws and other constituent documents are not contrary to the Mexican public order;
 - Pointing out the main activity intended to be performed in the national territory, which shall comply with the provisions of the Foreign Investment Law;
 - Stating that the company has been incorporated in full accordance with the laws of their country of origin, indicating the country;
 - Providing the address that the agency or branch are going to have in Mexico, and in the case of establishment of representative offices, the name and address of its representative, who must be domiciled in the place where the company will operate and authorized to respond for any liability incurred by the company.
 - v. Place and date of submission of the notice.
 - vi. Signature of the legal representative or the person with power of attorney that is promoting on behalf of the company.

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- b. Public instrument attesting the legal representation of the legal entity in favor of the person submitting the notice, or power of attorney signed before a public notary abroad, duly legalized or apostilled.
 - c. If the documents are drafted in a language other than Spanish, must also submit a Spanish translation made by a professional translator. The translation must be of the full document, including the apostille.

Does it cost?

It is cost-free.

Authority's response time

Immediate. The submission of the written statement is enough to register the company in the Public Registry of Commerce, or, if applicable, to establish the representative office in Mexico.