



## BELLNUNNALLY PARTNER DANIA DUNCAN MORENO JOINS LEGALINK COLLEAGUE EMMANUEL IBARRA CASTILLO TO BREAK DOWN ON HOTELS MAGAZINE THE “END OF OUTSOURCING” IN MEXICO

June 04, 2021

**Bell Nunnally Partner Dania Duncan Moreno coauthored with Legalink colleague and Ramos, Ripoll & Schuster Partner [Emmanuel Ibarra Castillo](#) the *HOTELS Magazine* article “Implication for ‘end of outsourcing’ in Mexico.” The piece explores the implications, particularly for the hospitality sector, of an April 23 decree in Mexico that reforms labor outsourcing in the country – defined as providing or making available workers for the benefit of another person or legal entity. Of significance the pair note, “...payments corresponding to the outsourcing of personnel, a common practice in the hospitality industry, are now not deductible.”**

Duncan Moreno and Ibarra go into detail on issues such as specialized services, profit sharing, penalties and fines, social security and INFONAVIT and additional regulations. They also stress key timing issues for employers.

Duncan Moreno and Ibarra conclude with thoughts on what employers should do, including:

*Hospitality companies with Mexican employees may want to begin reviewing their corporate purpose, preponderant economy activity and procure a self-assessment of the operations of the company to determine if the personnel under any outsourcing agreement is performing services included in their corporate purpose and/or prevailing economic activity. If they are, implement an internal process to directly hire any employee from the employment agency through employment substitution ideally on or before July 23.*

To read the full article (free registration required), please click [here](#).

## Related Practices

---

Corporate and Securities

Mergers and Acquisitions

Real Estate Law

## Practice Area Contact

---

Dania Duncan Moreno