

Litigation and Alternative Dispute Resolution Practice Group

Recent reforms in the field of Tourism in Mexico City

On April 4, 2024, a decree amending the Mexico City Tourism Law (hereinafter referred to as the "Tourism Law") was published in Mexico City's Official Gazette (hereinafter referred to as the "Gazette").

Through said amendment, the "Eventual Tourist Stay" was regulated in Mexico City, which is defined by the Tourism Law as the service of temporary stay in real estate for residential use in exchange for consideration.

Among the most relevant amendments to the Tourism Law are the obligations imposed on the owners and/or possessors of properties that offer temporary tourist lodging in the city (defined as "Hosts"), as well as the obligations imposed on the technological platforms that facilitate the offering of these services (defined as "Technological Platforms").

Regarding the obligations of the Hosts, it is important to note that they must register their properties in the "Host Registry", as well as filing a Notice or obtaining an Operating Permit to operate as a mercantile establishment if they wish to register four or more properties.

Regarding Technology Platforms, the obligation to register them in the Technological Platforms Registry is established.

It should be noted that, in terms of the transitory provisions, a term of 180 calendar days was granted to the Ministry of Tourism and the Digital Agency for Public Innovation of Mexico City to carry out the corresponding actions for the development of the electronic systems through which the Hosts and the Technological Platforms may register in the corresponding registries.

It is important to note that, from the date of creation of such registries, the Technological Platforms will have

a period of 30 calendar days for their registration, while the Hosts will have a period of 90 calendar days to register and incorporate their properties.

On September 25, 2024, the Regulations of the Tourism Law were published in the Gazette, establishing rules for the operation of the Registry of Hosts and the Registry of Technological Platforms, as well as the specific requirements to register in such registries, guidelines for the registration of properties and the submission of semiannual reports by Hosts and Platforms.

Likewise, the sanctions for non-compliance of the Hosts are established, which include fines ranging from \$2714.25 to \$10857.00 Mexican pesos and the suspension of activities for up to 15 days, while the Technology Platforms may be sanctioned with fines from \$5428.50 to \$21714.00 pesos (considering the current value of the Measurement and Update Unit, or "UMA" per its acronym in Spanish).

Finally, on October 3, 2024, a decree was published in the Gazette further amending the Tourism Law, through which the maximum occupancy for those properties registered in the Host Registry is limited to a maximum of 50% of the nights of the year.

The Housing Law for Mexico City and the Law for the Integral Reconstruction of Mexico City were amended in order to prohibit the use of properties of social, popular and reconstruction housing programs for temporary tourist stays.

Means of defense

In connection with the foregoing, we consider that, among other issues, the limit on the number of properties to be registered without processing a Notice or Operating Permit, as well as the limit on nights leased in the

scheme of Eventual Tourist Stay through Technological Platforms, could violate several human rights, so that the affected individuals could file an amparo lawsuit to defend their interests before the District Courts in Administrative Matters, based in Mexico City.

Our team at Sanchez Devanny has broad experience in advising our clients regarding the impacts that may arise from the recent tourism reforms in Mexico City. Please feel free to contact us should you have any questions related to this matter.

This newsletter was drafted by Guillermo Villaseñor Tadeo (gvillasenor@sanchezdevanny.com), Mauricio A. León Alvarado (mleon@sanchezdevanny.com), Pablo Chevez Gallegos (pablo.chevez@sanchezdevanny.com) and Frida Salgado Román (fsalgado@sanchezdevanny.com).

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Contact

Guillermo Villaseñor-Tadeo
gvillasenor@sanchezdevanny.com

Juan Luis Serrano-Leets
jserrano@sanchezdevanny.com

Mexico City:

Av. Paseo de las Palmas #525 Piso 6
Col. Lomas de Chapultepec, 11000
Ciudad de México
T. +52 (55) 5029 8500

Monterrey:

José Clemente Orozco #335 Piso 4
Despacho 401 Col. Valle Oriente, 66269
San Pedro Garza García N.L.
T. +52 (81) 8153 3900

Queretaro:

Av. Antea #1090, Piso 2 Int 206
Col. Jurica, 76100
Querétaro, Qro.
T. +52 (442) 296 6400



www.sanchezdevanny.com

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