

LEGAL

INCORPORATION OF A COMPANY

IN COLOMBIA 2025

- 01- Legal incorporation in Colombia
- 02- General steps to incorporate in Colombia as a branch of a foreign company



01

LEGAL INCORPORATION IN COLOMBIA

There are two ways to formally incorporate in Colombia: one is as a business firm, and the other is as a branch of a foreign corporation. The standard procedures in each situation are as follow.

GENERAL STEPS TO INCORPORATE A COMPANY IN COLOMBIA

STEP

01

Select the corporate form of organization that best fits your activity

The most popular way to organize a corporation in Colombia as a legal entity is the Simplified Joint Stock Corporation (S.A.S. for its acronym in Spanish) due to its unique features:

- Simplification of procedures
- Limitation of liability
- Autonomy to freely choose the regulations that are best for the business
- Flexible capital structure



STEP

02

Choose who will hold positions within the company

Legal representative, accountant and/or Statutory Auditor (if applicable), Board of Directors (if applicable).

STEP

03

Prepare, write, and register the company's bylaws

• To design the company bylaws, you need to take into consideration the following factors: (i) Purpose of the company (ii) People involved, and their contributions (iii) Legal representative (iv) Capital contributed (v) Responsibilities (vi) Board of Directors (vii) Conflict resolution.

• The bylaws may be created using a private document or a public deed depending on the corporate structure. Drafting and signing the letters of acceptance for the corporate roles is also required at this stage.

• We advise bylaws to be written by a reputable attorney, or a business associated with ACI Medellín.

STEP

04

Verify business name availability

You must ensure that the name of your company or organization, as well as the name of your commercial business, are available for use and have not already been registered by another business or merchant.

To check availability, please visit the following link:
<https://www.rues.org.co/RM>

STEP

05

Choose the CIU code of your economic activity

Your company's economic operations must be evident at the time of its creation, and you must select the CIU (International Standard Industrial Classification) codes that will identify them.

For CIU Code inquiries please visit the following link:
<https://virtuales.camamedellin.com.co/consultas/ciu.html>

STEP

06

Obtaining commercial registration (Matrícula Mercantil)

Please consider the following documentation concerning the registration process to obtain the “Matrícula Mercantil”:

- Single Business and Social Registry Form RUES (for its acronym in Spanish)
- Appendix required for other entities
- Appendix required for tax liabilities of a legal entity
- Declaration related to the development of social enterprises

Once the required paperwork is prepared, you may start the registration procedure online or by making an appointment with the Medellín Chamber of Commerce.

For documentation please visit the following link:

<https://www.camamedellin.com.co/servicios-registrales/tramites-virtuales-y-otros-canales-de-servicio/descarga-de-formularios-formatos-y-anexos>

For more information about the registration process, please visit the following link:

<https://virtuales.camamedellin.com.co/TramitesVirtuales/#/autenticacion/usuario>

STEP

07

Payment process

To finalize the process, you must pay the amount due in accordance with the national government's most recent rates, taking into consideration the data you provided throughout the registration procedure.

STEP

08

Request your digital signature

An Electronic Identity (EI) will be generated before the National Directorate of Taxes and Customs (DIAN for its acronym in Spanish).

STEP

09

Request numbering authorization to issue invoices

The purpose of this process is to gain permission to use the numbering for invoicing activities.

STEP

10

Request electronic invoicing

This process before DIAN enables you to invoice electronically.

STEP

11

Open a bank account

Getting a bank account is crucial for your financial operations.

STEP

12

Register the foreign capital invested for the company

The goal of this procedure, which must be completed from the bank of your choosing, is to register the original or subsequent investments of foreign capitals before the Banco de la República de Colombia (Central Bank of Colombia)



02

GENERAL STEPS TO INCORPORATE IN COLOMBIA AS A BRANCH OF A FOREIGN COMPANY

According to Articles 469 and subsequent of the Commercial Code, branches of foreign businesses are business premises established in Colombia by a corporation headquartered elsewhere to run operations permanently in the country.

Foreign company branches share the same legal entity as the parent firm; they don't differ in their legal personalities in any way.

STEP

01

Approval of the foreign company

The foreign company must consent to the establishment of the branch in Colombia and select Medellín as its domicile.

STEP

02

Check the branch's chosen name's availability

You must verify that the branch name you've selected is available for use, meaning it hasn't already been registered by another business or merchant.

To check availability, please visit the following link:
<https://www.rues.org.co/RM>

STEP

03

Choose the CIU code of your economic activity

You must decide which CIU (for its acronym in Spanish) (International Standard Industrial Classification) codes will be used to designate the economic activities you will conduct at the time the branch is created.

For CIU Code inquiries please visit the following link:
<https://virtuales.camamedellin.com.co/consultas/ciu.html>



STEP**04****Documents required for the process**

- **Certificate from the foreign firm, issued in accordance with local legislation, stating the location where the branch office's is going to be incorporated (Article 471 of the Commercial Code):**

- State the company's objective in compliance with Colombian legal regulations
- Amount of capital assigned to the branch
- Branch address
- Duration/term of operations in Colombia
- Selection of a legal representative (agent/proxy) to represent the foreign company

- A copy of the foreign company's incorporation document
- A copy of the foreign company's bylaws
- Documents attesting to the legitimacy of the foreign company and its representatives
- Public deed issued by a Medellín notary's office where the aforementioned documents are notarized

IMPORTANT: Translations of documents that are not in Spanish must be made by an interpreter approved by the Ministry of Foreign Affairs, and the Public Deed must be notarized for the translation to be accepted.

The legitimacy of a foreign public servant's signature on documents issued abroad that attest to the performance of their duties must also be attested to or validated.

- Single Business and Social Registry Form RUES (for its acronym in Spanish)
- Appendix requirement for other entities
- Letters of acceptance from those nominated to be representatives and statutory auditors (if applicable), including complete names and surnames, identification numbers, and the date the citizenship or foreigner's identity card was issued, as well as a copy of the person's passport, if necessary.

IMPORTANT: The NIT (Corporate Tax ID) assignment for international company branches must be sought directly from the DIAN. The Medellín Chamber of Commerce must be informed once it has been assigned.

Once the required paperwork has been gathered, it must be delivered to the Medellín Chamber of Commerce together with the opening registration application number (Matricula for its name in Colombia).

STEP**05****Payment process**

You are required to pay the amount of the branch's commercial registration fees, which the cashier will settle depending on the assets shown on the branch's form.

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IMPORTANT DETAILS:

- It is important to stress that the Chamber of Commerce may request other documents in addition to those already stated, depending on the caliber of the individuals who make up the company and its corporate bodies.
- It is possible to give a POA to a proxy in Medellín if the prospective partners or shareholders are unable to be present to complete the incorporation processes.
- For branches, the entire capital must be paid at the time of incorporation.