SPRINGBACK CONSULT

# Mexico Market Entry — Quick Start Guide

The essentials for a foreign company establishing operations in Mexico.

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## The Four Things Every Foreign Company Needs

Entering the Mexican market involves four core pieces. Most delays happen when these are tackled out of order, or without coordination between them.

### 1. Legal Entity

Most foreign companies incorporate as an S.A. de C.V. (variable-capital stock company) or S. de R.L. de C.V. (variable-capital limited liability company). Mexico allows 100% foreign ownership in most sectors; a small number of industries (e.g. oil, certain transportation) have restrictions. Incorporation requires a notary and registration with the Registro Público de Comercio.

### 2. Tax Registration

Every entity needs an RFC (tax ID) from the SAT (Mexico's tax authority), and must issue CFDI-compliant electronic invoices from day one. Tax obligations are ongoing, not a one-time filing.

### 3. Labor Compliance (if hiring)

Employers register with IMSS (social security) and INFONAVIT (housing fund). Mexican labor law includes mandatory benefits — vacation, vacation premium, aguinaldo (year-end bonus) — that don't exist in every jurisdiction.

### 4. Banking

Opening a Mexican business bank account as a foreign-owned entity requires documentation prepared in advance and, in most cases, an in-person step — one of the most common places a timeline stalls.

## Realistic Timeline Expectations

Incorporation alone typically takes several weeks. Tax registration and other compliance steps usually run in parallel or shortly after. Banking can add further time if documentation isn't prepared ahead of time. Your actual timeline depends on your specific structure, industry, and state — this guide gives you the shape of the process, not a fixed date.

## Five Mistakes That Cost Companies Time

- Choosing a legal structure without understanding the tax and liability tradeoffs first.
- Waiting to think about banking until after incorporation is already complete.
- Hiring before IMSS/INFONAVIT registration is in place.

- Assuming someone on your team needs to be physically present for every step (usually, they don't).
- Treating compliance as a one-time task instead of an ongoing obligation.

## Want the Full Picture?

This quick guide covers the shape of the process. Our full Mexico Market Entry Guide goes deeper on each step — plus a free 30-minute evaluation call to map this to your specific situation. Reach out at hello@springbackconsult.com or through springbackconsult.com/contact.html.

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