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Economic impact of the transition from RISE to RIMPE on microenterprises in the province of Cotopaxi

Impacto económico de la transición del RISE al RIMPE en las microempresas de la provincia de Cotopaxi

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ABSTRACT

In the context of economics and public administration, fiscal policies play an essential role in shaping business environments. The transition of the province of Cotopaxi from the Ecuadorian Simplified Tax Regime (RISE) to the Tax Regime for Popular Entrepreneurs and Businesses (RIMPE) is a matter of great importance in this research, as well as for government authorities and the community at large. This study focuses on a detailed analysis of the economic impact of this change on microenterprises in the province, considering its scientific importance, social implications, and effects on the local business community. The analysis of tax policies and their influence on the economy is a continuously debated topic. The research focuses on understanding how changes in tax systems can have significant effects on the economic dynamics of a region and how these measures affect the microenterprise level in order to formulate more effective policies. Microenterprises are essential in many communities, generating employment and promoting economic development. The transition from RISE to RIMPE is not only about an economic assessment, but also about how tax decisions affect people's lives and job opportunities. The main objective of the research is to understand the economic effects of this transition on microenterprises in Cotopaxi, considering profitability, investment, job creation and competitiveness. Process challenges are addressed and long-term projections are presented to provide solid information to stakeholders and support data-driven decision-making. Previous research that has analyzed the changes in the RIMPE is mentioned and the need to provide training to taxpayers to avoid confusion in the new regime is highlighted. It shows how RIMPE benefits micro-enterprises compared to RISE and highlights mixed opinions on its impact on business. In the theoretical review, reforms in value-added and consumption taxes are discussed, as well as activities excluded from the regime. The duration of the RIMPE and the progressivity of the tax burden in the future are mentioned. The research method is descriptive and justified by the need to gain a full understanding of the effects of transition. The selection of the sample, composed of 7 microenterprises from Cotopaxi, is explained, and the limitations due to resources and access are recognized. In the results and discussion, the changes in

the ranking of companies before and after the transition are presented. It analyzes how some companies improved their position, indicating benefits in competitiveness, while others remained stable. The importance of adaptation and business strategy is highlighted. In conclusion, the study shows that the transition from RISE to RIMPE has a differentiated impact on microenterprises in Cotopaxi. Some companies experienced improvements in competitiveness and position, while others maintained their stability. Adaptation and business strategy are essential to face these changes.

Keywords: RISE; RIMPE; Microenterprises; Economic Impact.

RESUMEN

En el contexto de la economía y la administración pública, las políticas fiscales juegan un papel esencial en la configuración de los entornos empresariales. La transición de la provincia de Cotopaxi del Régimen Impositivo Simplificado Ecuatoriano (RISE) al Régimen Impositivo para Emprendedores y Empresas Populares (RIMPE) es un tema de gran importancia en esta investigación, así como para las autoridades gubernamentales y la comunidad en general. Este estudio se centra en el análisis detallado del impacto económico de este cambio en las microempresas de la provincia, considerando su importancia científica, implicaciones sociales y efectos en la comunidad empresarial local. El análisis de las políticas fiscales y su influencia en la economía es un tema en continuo debate. La investigación se centra en comprender cómo los cambios en los sistemas fiscales pueden tener efectos significativos en la dinámica económica de una región y cómo estas medidas afectan al nivel de la microempresa, con el fin de formular políticas más eficaces. Las microempresas son esenciales en muchas comunidades, ya que generan empleo y promueven el desarrollo económico. La transición del RISE al RIMPE no sólo tiene que ver con una evaluación económica, sino también con la forma en que las decisiones fiscales afectan a la vida de las personas y a las oportunidades de empleo. El objetivo principal de la investigación es comprender los efectos económicos de esta transición en las microempresas de Cotopaxi, considerando la rentabilidad, la inversión, la creación de empleo y la competitividad. Se abordan los retos del proceso y se presentan proyecciones a largo plazo para proporcionar información sólida a las partes interesadas y apoyar la toma de decisiones basada en datos. Se mencionan investigaciones previas que han analizado los cambios en el RIMPE y se resalta la necesidad de brindar capacitación a los contribuyentes para evitar confusiones en el nuevo régimen. Se muestra cómo el RIMPE beneficia a las microempresas en comparación con el RISE y se destacan las opiniones encontradas sobre su impacto en las empresas. En la revisión teórica, se discuten las reformas en los impuestos al valor agregado y al consumo, así como las actividades excluidas del régimen. Se menciona la duración del RIMPE y la progresividad de la presión fiscal en el futuro. El método de investigación es descriptivo y se justifica por la necesidad de conocer a fondo los efectos de la transición. Se explica la selección de la muestra, compuesta por 7 microempresas de Cotopaxi, y se reconocen las limitaciones por recursos y acceso. En los resultados y discusión, se presentan los cambios en la clasificación de las empresas antes y después de la transición. Se analiza cómo algunas empresas mejoraron su posición, indicando beneficios en competitividad, mientras que otras se mantuvieron estables. Se destaca la importancia de la adaptación y la estrategia empresarial. En conclusión, el estudio muestra que la transición del RISE al RIMPE tiene un impacto diferenciado en las microempresas de Cotopaxi. Algunas empresas experimentaron mejoras en su competitividad y posición, mientras que otras mantuvieron su estabilidad. La adaptación y la estrategia empresarial son esenciales para enfrentar estos cambios.

Palabras clave: RISE; RIMPE; Microempresas; Impacto Económico.

INTRODUCTION

In the current context of the economy and public administration, fiscal policies play an essential role in shaping and evolving business environments. Within this context, the transition from the Ecuadorian Simplified Tax Regime (RISE) to the Simplified Regime for Popular Entrepreneurs and Businesses (RIMPE) in the province of Cotopaxi is presented as an issue of great importance for researchers, government authorities and society as a whole. The main objective of this study is to analyze in detail the economic impact of this change on microenterprises in this province, considering its scientific importance, its social implications and its influence on the local business community.

Within the scientific field, the analysis of tax policies and their influence on the economy is a subject of continuous debate and great interest. The choice of this approach is based on the recognition that changes in tax systems can have significant effects on the economic dynamics of a region. In addition, understanding how these measures affect the microenterprise level contributes to more effective policy-making and informed decision-making by government decision-makers.

From a societal perspective, micro-enterprises represent the lifeblood of many local communities. Their role as job creators, drivers of economic development and agents of change in the business structure is undeniable. Therefore, the analysis of the impact of the transition from RISE to RIMPE on these companies is not only limited to an economic examination, but also encompasses the exploration of how tax decisions can shape people's lives, influencing their job opportunities and quality of life.

The main purpose of this research is to unravel the economic effects derived from the transition from RISE to RIMPE on microenterprises in the province of Cotopaxi. This involves a comprehensive analysis of how reducing the tax burden can affect business profitability, investment capacity, contribution to job creation, and competitiveness in the market. In addition, the challenges that may arise during this transition process will be addressed and possible long-term projections will be established, with the purpose of providing solid information to the parties involved and contributing to decision-making based on concrete data.

In other words, this research focuses on the analysis of the economic impact of the transition from RISE to RIMPE on microenterprises in the province of Cotopaxi, considering its significance in the scientific field, its impact on society and its relevance for the local business community. Through this analysis, we aim to provide valuable information that contributes to a stronger business environment, aligned with the region's economic and social development objectives.

As previous research, in a similar context, there is the research of Castro (2021), where the necessary modifications due to the implementation of the RIMPE for the year 2022 were determined; This process involves calculating changes based on annual revenue, where a limit is set; then, a proportional deduction is made and, finally, the excess amount is calculated using a nominal percentage (Castro, 2021).

In addition, it was analyzed and determined which items should be considered in the calculation of the RIMPE 2022; a minimum annual value was established based on a table of gross income ranges; To calculate gross revenue, total revenue is taken and discounts or returns are subtracted; and it is important to note that no value of income can be deducted for the calculation of the income tax payable (Castro, 2021).

Similarly, the need to provide training to owners or persons participating in the RIMPE regime is recognized. Currently, there is some lack of knowledge as to how to administer this regime and how to make the corresponding payments, which occasionally generates confusion and, in some cases, can negatively affect the business (Castro, 2021).

In this study, it was concluded that, by analysing the impact of the regime change, it was possible to assess the advantages and disadvantages of the new form of taxation; it was observed that some taxpayers benefited from switching to the popular business regime, while others were harmed, as in the case of entrepreneurs, who were not considered costs or expenses in the calculation of taxes (Pozo, 2023). In the case of the General Regime, no significant changes were identified. In addition, through the modification

in the tax administration implemented in the country, differences in collection were observed between the RISE in 2021 and the RIMPE in 2022, with an increase of 20 %; this showed that the collection was distributed more equitably among taxpayers (Pozo, 2023). The analysis of the various regimes made it possible to understand the obligations, types of declarations and benefits associated with each tax regime.

On the other hand, for those who were under the Microenterprise Regime at the time of their adhesion to the Microenterprise Tax Regime (RIMPE), this transition represents a greater benefit. Previously, a 2 % tax was levied on gross receipts as income tax, while the new regime implements a progressive structure ranging from 1 % to 2 %; In addition, income tax withholding has been reduced from 1,75 % to 1 %; however, of the time that has elapsed since the opening of the Single Taxpayer Registry (RUC), taxpayers are aware of their tax responsibilities, which shows a significant concern to avoid additional expenses derived from possible fines (Valdez & Naula, 2023).

Despite having the advice of an accountant, taxpayers do not have a complete knowledge of all the changes in the tax laws. This is applicable to all taxpayers, regardless of their category within the RIMPE. The transition has had a negative impact on taxpayers' cash flow (Valdez & Naula, 2023).

Mostly, those respondents who previously belonged to the Ecuadorian Simplified Tax Regime (RISE) and who are now part of RIMPE, express that this transition has negatively impacted their businesses, mainly due to the increase in the tax burden; however, others mention the perception of a simplification in tax procedures (Valdez & Naula, 2023).

Theoretical Review

According to Arias et al. (2023), the Simplified Regime for Entrepreneurs and Popular Businesses (RIMPE) has a duration of three years starting in January 2022; From 2024, the regime will be governed by the principle of progressivity, which means that the tax burden will increase proportionally with taxpayers' income; this is done in order to achieve a more equitable distribution of the tax burden, in accordance with the provisions of the Organic Law for Economic Development and Fiscal Sustainability of 2021.

As for the most outstanding reforms, the modification of the Value Added Tax (VAT) rate stands out, which is reduced to 8 % for services classified as tourist occupations. This measure aims to boost growth in this sector (Arias et al., 2023). On the other hand, the payment of the Special Consumption Tax (ICE) for mobile telephony and video games is exempt. However, the rates applicable to alcohol and industrial beer are increased (Arias et al., 2023).

Ten activities are excluded from this regime, including those related to construction, professional, transport, agricultural, fuel marketing, foreign direct investment, hydrocarbons, mining, medical and pharmaceutical laboratories, basic industries, as well as the financial sector, insurance, and the Popular and Solidarity Economy (Arias et al., 2023). In addition, those taxpayers who obtained gross income above USD 300,000 in the previous year and those who are registered in the Single Taxpayer Registry (RUC) but have no registered economic activity are also excluded from this regime (Arias et al., 2023).

Another study on this subject carried out by Pinos (2022), shows that the information provided on tax collections in the first half of the last three years reveals the increase in Income Taxes, Value Added Tax and the RISE regime; this means that one of the factors that contributed to the increase in revenue is the benefit that the Internal Revenue Service (SRI) offers taxpayers in the process of recovering outstanding payments, the article points out that the collection of the RISE regime decreased in 2022 due to its repeal.

In addition, the validation carried out by experts on the impact of the implementation of the new regime yielded a positive response in relation to the analysis of the research topic; the specialists agreed with all the aspects evaluated in the study, confirming the acceptance of the conclusions derived from the work (Pinos, 2022).

Table 1. Comparison between taxpayers enrolled in the Ecuadorian Simplified Tax Regime (RISE) and taxpayers under the Simplified Regime for Entrepreneurs and Popular Businesses (RIMPE).

Aspect	RISE Contributors	RIMPE Taxpayers
Obligation	Taxpayers have the option to voluntarily decide to join the RISE regime if they meet the stipulated criteria.	Taxpayers who meet the criteria stipulated in the Law of the Internal Tax System in relation to the Simplified Regime for Entrepreneurs and Popular Businesses (RIMPE) are automatically included in this system.
Billing	They generate invoices in a simplified format and are not required to issue sales notes.	They prepare sales receipts and must comply with current regulations.
Accounting Requirements	They maintain simplified bookkeeping and don't have the need to keep conventional accounting records.	They have a responsibility to comply with the requirements, specifications, and terms set forth for sales vouchers and other related documents.
Withholding tax	They are not subject to withholding taxes made by other taxpayers.	They may be subject to withholding taxes made by other taxpayers, such as, for example, the withholding of 1 % in circumstances applicable to the RIMPE. RIMPE.
Declaration and payment of tax	They file quarterly returns and pay taxes in accordance with the fee structure and flat rate stipulated in the RISE.	The declaration and payment of Income Tax are made annually.
Additional Benefits	They enjoy particular advantages of RISE, such as income tax exemption for the first 5 years of operation.	Companies in the popular economy are not required to file a Value Added Tax (VAT) declaration on income derived from activities under RIMPE.

The change from the RISE regime to the RIMPE regime, for Espinoza et al. (2023), the circumstances that have impacted the Ecuadorian economy have evidenced both positive and negative aspects of the situation; In certain sectors of production, operations have been halted or cancelled, but at the same time, new ventures have emerged that actively respond to persistent, and even in some cases, ever-evolving consumer demand.

This simplified regime provides entrepreneurs with the possibility to take advantage of a particular tax treatment, allowing them to meet their tax responsibilities without incurring considerable expenses or dealing with complex administrative procedures; this benefit is achieved by simplifying tax procedures, decreasing tax rates, and eliminating the obligation to file quarterly tax returns (Espinoza et al., 2023).

In addition, they receive preferential treatment when it comes to invoicing processes. This enables them to issue payment vouchers to their customers without having to deal with cumbersome administrative procedures; this, in turn, provides them with a more solid foundation for the development of their ventures and the expansion of their businesses (Espinoza et al., 2023).

Automating your systems also brings advantages, allowing for continuous progress in tax processes; this results in savings in bureaucratic expenses, bringing citizens even closer to services related to the tax regime and its implications (Espinoza et al., 2023).

In the study conducted by Vargas and León (2022), it was concluded that the Simplified Regime for Popular Entrepreneurs and Businesses (RIMPE) incorporates all people who were previously part of the Ecuadorian Simplified Tax Regime (RISE); this regime was created in response to the COVID-19 pandemic and established a 0 % VAT rate for entrepreneurs and micro-enterprises related to this tax. This suggests that it has acted as an incentive to stimulate the growth of the entrepreneurial sector in Ecuador, generating a greater circulation of capital in support of economic reactivation.

In addition, when RIMPE replaced RISE and these changes were implemented in the Internal Tax Regime, it was designed with the intention of expanding the taxpayer base and thus contributing to the economic well-being of the Ecuadorian State (Vargas and León, 2022).

Finally, it is important to highlight the gradual component in the implementation of RIMPE, which in the long term is expected to be more beneficial than the previous regime, especially for the micro-entrepreneur sector; this is due to the fact that a tax scale is applied that varies according to income, from twenty thousand dollars to three hundred thousand dollars, following the principle of progressivity (Vargas & León, 2022).

METHOD

This research is characterized by its descriptive approach, a widely recognized method used in scientific inquiry that seeks to offer a complete and detailed understanding of a particular phenomenon. The research is characterized by its descriptive approach, as it seeks to provide a detailed and precise view of the economic implications that the change from the Ecuadorian Simplified Tax Regime (RISE) to the Microenterprise Tax Regime (RIMPE) has had on microenterprises in the province of Cotopaxi.

First, descriptive research is essential to obtain a clear and detailed overview of the effects that this tax transition has on the local business fabric. Through a detailed presentation of data and results, it seeks to reveal the current situation of microenterprises under the new tax regime. This allows researchers and stakeholders to have a complete understanding of how microenterprises are experiencing the changes and how they are adapting to them.

Second, the descriptive approach is particularly appropriate for this research due to its nature oriented towards the collection and presentation of quantitative and qualitative information. By carefully analyzing the collections, tax rates, exemptions, and other aspects related to the transition, one can capture the essence of the change and its impact on the economic environment of Cotopaxi. The detailed description of these elements allows for meaningful comparisons and contrasts, which contributes to a deeper interpretation of the results.

In addition, descriptive research provides a solid foundation for analyzing trends and patterns over time. By collecting data at different times, it is possible to identify significant changes and establish causal relationships between variables. This provides a more comprehensive view of how microenterprises are responding to the transition and how this is reflected in their economic and operational results.

The descriptive approach is also valuable in terms of providing useful information for decision-making. Policymakers and business leaders can use the results of this research to assess the success of the transition, identify areas for improvement, and devise effective strategies to support Cotopaxi's economic development.

In summary, the choice of a descriptive approach in this research is supported by several key reasons. The need to provide a detailed and accurate representation of the economic effects of the transition from RISE to RIMPE on microenterprises in the province of Cotopaxi is the main driver behind this decision. Through the collection and presentation of comprehensive information, this approach allows for an in-depth understanding of the impact of the transition and its implications for the local business and economic environment.

Sample

The selection of a suitable sample is a critical process in research, as it directly influences the reliability and applicability of the results. Within the framework of this study on the economic impact of the transition from the Ecuadorian Simplified Tax Regime (RISE) to the Microenterprise Tax Regime (RIMPE) on microenterprises in the province of Cotopaxi, it is essential to understand how the sample was selected and what is its relevance in the context of the research.

The province of Cotopaxi, located in the heart of Ecuador, is home to a diversity of micro-enterprises that contribute to the local economic fabric. To obtain an accurate and representative view of how this tax transition is affecting microenterprises in this region, we chose to select a sample that is representative but manageable. In this case, the sample consists of 7 specific microenterprises in the province of Cotopaxi.

The selection of a small sample, as in this case, is known as "convenience sampling" or "non-probability sampling." Although full statistical representativeness is not sought, this approach can offer valuable and insightful insights into how a phenomenon is influencing a specific population. In the context of this study, the 7 selected microenterprises will allow us to explore in detail how the transition from RISE to RIMPE is affecting a limited but relevant group of companies in Cotopaxi.

One of the reasons for choosing this small sample is the limited resources, time, and access to the full population of microenterprises in Cotopaxi. Conducting comprehensive surveys or analyses on a larger population may prove unfeasible due to logistical and financial constraints. However, although the sample is small, it is intended to be as diverse as possible in terms of industry sectors, company sizes, and geographic locations.

The selection of the 7 micro-enterprises was carefully made to ensure that they represent a range of characteristics relevant to the study. Criteria such as duration of operation, revenue, sector of activity and location within the province were considered. This will capture a variety of perspectives and experiences in relation to the transition from RISE to RIMPE.

While this small sample cannot be directly extrapolated to the full population of microenterprises in Cotopaxi, it can provide valuable insights into how the transition is being perceived and experienced by a specific group. The results obtained from these 7 micro-enterprises could serve as a basis for further research or to guide policies and strategies at the local level.

Thus, the selection of a sample of 7 microenterprises from the province of Cotopaxi is a practical response to resource and time constraints. Although not representative in a broad statistical sense, this sample will provide valuable and detailed information on how the transition from RISE to RIMPE is affecting specific micro-enterprises in this region. The results obtained can contribute to a deeper understanding of the economic impact of this transition in a specific local context. Below is a table specifying the sample taken.

Position	Year	Position	Year	Name	Type Company
791	2022	945	2021	Compañía Minera La Plata S.A.	Anonymous
1319	2022	1631	2021	Central Ecuador Ec-Ct S.A.	Anonymous
2366	2022	75652	2021	Latin American Panels Panelat Ecuador S.A.S.	Simplified Joint-Stock Company
6319	2022	6326	2021	Limache S.A.	Anonymous
8480	2022	7892	2021	H&N Huevos Naturales Ecuador S.A.	Anonymous

9081	2022	28039	2021	Soc. In Fact, Vvcs Guasaganda Cia.Ltda.	Limited Liability
c	2022	10839	2021	Flores Santa Monica Ñanta Cia. Ltda.	Limited Liability

RESULTS AND DISCUSSION

In this chapter, we will present and examine the results that emerged in relation to the economic effect of the migration from the Ecuadorian Simplified Tax Regime (RISE) to the Simplified Regime for Entrepreneurs and Popular Businesses (RIMPE) in the previously elected microenterprises in the province of Cotopaxi. The seven companies included in this study are "COMPANÍA MINERA LA PLATA S.A.", "CENTRAL ECUADOR EC-CT S.A.", "PANELS LATINOAMERICANOS PANELAT ECUADOR S.A.S.", "H&N HUEVOS NATURALES ECUADOR S.A.", "SOC. IN FACT, VVCS GUASAGANDA CIA.LTDA.", "SOC. IN FACT, VVCS GUASAGANDA CIA.LTDA." and "FLORES SANTA MONICA ÑANTA CIA. LTDA."

The results for each of the selected companies in terms of their position in the ranking of companies, both before and after the transition from RISE to RIMPE, will be shown below.

Compañía Minera La Plata S.A.:

- Year 2021: Position in ranking 945
- Year 2022: Position in ranking 791

Central Ecuador EC-CT S.A.:

- Year 2021: Position in the ranking 1631
- Year 2022: Position in ranking 1319

Latin American Panels Panelat Ecuador S.A.S.:

- Year 2021: Position in ranking 7565
- Year 2022: Position in ranking 2366

H&N Huevos Naturales Ecuador S.A.:

- Year 2021: Position in ranking 6326
- Year 2022: Position in ranking 6319

Soc. de Hecho VVCS Guasaganda Cia. Ltda.:

- Year 2021: Position in ranking 7892
- Year 2022: Position in ranking 8480

Soc. de Hecho VVCS Guasaganda Cia. Ltda.:

- Year 2021: Position in ranking 28039
- Year 2022: Position in ranking 9081

Flores Santa Monica Ñanta Cia. Ltda.:

- Year 2021: Position in the ranking 10839
- Year 2022: Position in ranking 11275

The results obtained shed light on how the transition from RISE to RIMPE has affected the ranking position of these microenterprises in the province of Cotopaxi. It is important to analyze these figures in the context of the overall economic situation and market dynamics in the study period.

The companies "Compañía Minera La Plata S.A." and "Central Ecuador EC-CT S.A." show an increase in their positions in the ranking between 2021 and 2022. This could suggest that the transition to RIMPE has had a positive impact on its operations and economic performance, which is reflected in its relative improvement in the business ranking. Although the magnitude of this change may not be significant in absolute terms, it indicates an upward trend that could be a result of the tax advantages and benefits of the new regime.

In contrast, "Panels Latinoamericanos Panelat Ecuador S.A.S." experienced a more drastic change in its position in the ranking, going from a relatively high position in 2021 to a much more favorable one in 2022. This remarkable improvement could be related to an efficient adaptation to changing market conditions and possibly to better management of their tax obligations under RIMPE.

The case of "H&N Huevos Naturales Ecuador S.A." shows a very similar position in both years, suggesting a stability in its position in the market. This could indicate that the transition has not had a significant impact on their economic situation or that factors other than the tax regime are influencing their performance in the market.

The companies "Soc. de Hecho VVCS Guasaganda Cia. Ltda." and "Flores Santa Monica Nanta Cia. Ltda." maintained their positions in the ranking relatively stable between the two years. This could indicate that the regime change did not have a significant effect on their operations or that other factors outweighed any potential impact.

Taken together, these results provide an initial insight into how the transition from RISE to RIMPE has affected the selected microenterprises in Cotopaxi in terms of their position in the ranking. However, it is important to remember that ranking positions are only one indicator and do not represent all aspects of the economic impact. These results could form the basis for a more in-depth analysis exploring how these changes in position translate in terms of revenues, profitability and financial stability in the broader context of these micro-enterprises' operations.

CONCLUSIONS

Differentiated Impact on the Business Ranking: The results show that microenterprises experienced changes in their position in the business ranking after the transition to RIMPE. Some companies saw improvements in their position, while others remained relatively stable. This differentiated impact may be related to various factors, such as the company's adaptability to the new regime, its sector of activity and its ability to take advantage of tax advantages.

Positive Implications for Competitiveness: Companies that improved their position in the ranking could be experiencing benefits in terms of competitiveness. An improvement in position could indicate greater operational efficiency, sound financial management, and a greater ability to compete in the marketplace. This suggests that the RIMPE could have provided a more favorable tax environment for these companies, resulting in an improvement in their business performance.

Stability and Resilience: Some companies maintained their position in the ranking, which could indicate a stability in their performance and resilience to changes in the tax regime. These companies could have effectively adapted to the new regulations and continued to operate without major variations in their economic results. This highlights the importance of financial management and proper planning to mitigate the impact of tax changes.

Adaptation and Business Strategy: The variability in changes in position in the ranking highlights the importance of adaptation and business strategy. Those companies that were able to take advantage of the opportunities provided by RIMPE and adjust their strategies to optimize their position appear to have reaped the greatest benefits. This suggests that a company's response to tax changes can influence its ability to stay competitive.

Need for Continuous Monitoring: These initial findings highlight the importance of continuous monitoring and deeper analysis to fully understand the impact of regime change on microenterprises.

Ranking position is only one indicator, and it is essential to examine other economic aspects, such as revenue, profitability, investment, and growth, to get a complete picture of the impact.

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