

# Report

Hello Everyone, Before you head into Mexico, you should really get a handle on their monetary system.

Then, when you tip, hopefully you won't be ruining the whole financial state of Mexico. You need to realize that the average daily wage in Mexico is a bit under \$5, and yes, just as when Dick and I were young, and everyone we knew were poor too, they do live in Mexico on that amount.

You will commonly see this currency.  
They will have the adjective "nuevos" (new) before the word "pesos".



half cent



one cent



two cent



five cent



ten cent=1 peso



twenty cent



fifty cent



Now you should understand why retirees are heading south of the border for a lower cost of living. Hopefully the ugly American, who loves to throw his money around to show how powerful he is, won't ruin the golden goose for the rest of us. A few pesos for most tips brings a good smile to faces. The exception is in Americanized resorts and restaurants.

There are basically 6 commonly used coins in Mexico – relate them to our penny, nickel, dime, quarter, half dollar and dollar coins. Then, there are half cent, two cent, two dollar and five dollar coins.

The coins are issued by Banco de Mexico. There are two groups of coins, Type B, minted between 1992 and 1996, and the other, Type C, minted since 1996. They look very similar, with the exception that the newer coins, known as type "C", do not have the adjective "nuevos" nor its abbreviation "N" imprinted on them. Money minted before 1992, has been devalued.

That said, basically, you can figure approximately that 10 pesos are equal to one U.S. dollar., 20 pesos equal \$2.00 US, and 50 pesos equal approximately \$5.00 US, etc., which is about the average wage, per day, in Mexico. The small coins, 5,10, 20, 50, translate to half a cent, 1 cent, 2 cents, 5 cents, 10 cents, 20 cents, and 50 cents.

Any wonder we want to live there? In my book, *Retire In Luxury*, on page 29, you see that water delivered to your door is approximately 10\$ pesos – in other words, \$1 U.S.

Divide everything by approximately 10 – depending on the exchange value, which changes daily. I list a great place to check the exchange rate online, in my book, *Retire In Luxury*, page 67, #3.

one dollar=10 pesos



two dollar



five dollar



I receive email similar to this quite often, so thought it would be worth sharing:

**From:** Maria  
**Sent:** Thursday, July 06, 2006 3:10 PM  
**To:** barbie@retireinluxury.com  
**Subject:** Bringing a car into mexico

*Barbie, I really need to know the answer to this question. I will be moving to La Paz next spring.... We are bringing our car from Washington state, will keep our Washington tags, but will live in La Paz. I have been told that the car has to be at least 5 years old....any truth?*

*Maria*

*Thanks for the latest book, great!*

Dear Maria,

Here's basically what you need to know:

Your American driver's license is valid in Mexico.

At the border, this is just part of the process of entering Mainland Mexico:

- You'll need a temporary car-importation permit,
- A valid driver's license,
- Current, original car registration, registered in your name, and a copy of the original car title,
- A valid international major credit card.

If your vehicle is financed you will need to take a letter stating that you have permission from the lending institution to take the car out of the country.

If you have an FM3 (Non-immigrant visa – what we call a perpetual tourist visa), you can have a foreign car as long as your FM3 is valid. (If you have an FM2 (Immigrant visa) you cannot bring in your American car.)

If you do bring your car into Mexico, you cannot let anyone drive it other than family members or it might be confiscated by Hacienda (the Internal Revenue).

You can purchase a Mexican car and get it legally registered no matter what type of visa you have.

**So, I do answer each and every email I receive!  
But, I have a problem you all can help me with.**

**Because of the number of email I receive, and then on top of that, the amount of junk email I receive, I worry that I may accidentally throw out an important question without ever seeing it.**

**So, I'm asking all of you who contact me with a question to PLEASE put on the subject line of your email:**

**“to Barbie at Retire In Luxury”.**

**Thanks so much!**



Do remember, that for almost all American auto insurance companies, your coverage stops at the border, so get your Mexican insurance before you start your trip. You can easily get it on the Internet, and I list one company in my book, *Retire In Luxury*, on page 29, with a phone number and how much we paid. Or you can stop just before you cross the border at any of many places that offer that service, and buy your insurance.

So, while I had never heard of that 5-year rumor, and while it perhaps may have been true at one time, for now you can take your car into Mexico with no problem, I think. I have the information on Page 22 of my book *Retire In Luxury*.

As always, if you have a question that isn't answered in one of my books,

[Retire In Luxury](#)

or

[Money Saving Mexico](#)

or one of my special reports, let me know and I'll do my best to find the answers.

My best to you all,

Barbie

P.S. One final Q & A: This is a very common question, so I always add it to my P.S.'s. "Can I buy your books at a bookstore?" In short: No. It would be glamorous, yes, but there would be no way to keep my information up to date. That's why I publish my own books online so that whenever I come across new information, I can update them in a flash.

