

DOING BUSINESS IN CHILE



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- **COST AND NUMBER OF DAYS FOR OPENING A COMPANY-**
 - **Government fees :** No government opening costs, only registration and notary fees, the cost of which depends on the share capital.
 - **Number of days:** aprox 4– 5 weeks depends on the documentation needed for the establishment of the company.
- **COST AND NUMBER OF DAYS FOR CLOSING A COMPANY-**
 - **Government fees :** No government closing costs, only registration and notary fees, the cost of which depends on the share capital.
 - **Number of days:** approx. 8-12 months, The corporate registration process takes 4 to 5 weeks. The delay is due to the closing of the registration process with the Chilean tax authority, which is authorized to audit the company's entire operations over the last 3 years
 - **. Cannot be shorter than 3 months.**
- **COST AND NUMBER OF DAYS FOR REGISTERING PROPERTY-**
 - **Government fees :** USD\$ 100 – 300 (depends on way of application)
 - **Number of days:** 15 to 60 days
- **COUNTRY RISK LEVEL CLASIFICACION:** 2024 Moody's A2 stable, Fitch A-, S&P A positive
- **ANNUAL GDP PER CAPITA:** USD 17,093.2 (2023), GDP Per Capita PPP: 28,550 (2022)
- **TOTAL COUNTRY GDP:** USD 301 billion (2022)
- **GDP GROWTH 2020-2021:** +2,1% (2021 compare to 2020)
- **COUNTRY LEVEL OF SECURITY OF INVESTMENT:** Safe
- **SPECIAL ZONES IN THE COUNTRY:** Free trade zones in Iquique and Punta Arenas
- **RECOMMENDATION FOR INVESTMENT:** Mining, agriculture, beekeeping, forestry and IT
- **BUSINESS CLIMATE:** Very good

TAXES IN CHILE



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- **TAX RATE-PERSONS:** Progressive rate 0%-4%-8%-13,5%-23%-30,4%- 35%-40% with allowances.
- **TAX RATE-COMPANIES:** Companies are subject to the First Category Tax (IDPC), with rates ranging from 25% to 27%, depending on the applicable tax regime:
 - i. General Regime (27%): Allows 65% of the tax paid to be used as a credit against the final withdrawal tax.
 - ii Pro-Pyme Regime (25%): Targeted at small and medium-sized enterprises, with a transitional rate of 12.5% for 2024. This regime allows 100% of the tax paid to be used as a credit against the final withdrawals.
- **NON-RESIDENTIAL RENT/ LOCAL RENT OR GLOBAL RENT:** Rental income is taxed at 35%, with deductions in the case of income from dividends or withdrawals from Chilean companies that paid income tax.
- **DOUBLE IMPOSITION TREATIES WITH (MAIN 4 COUNTRIES):** Korea Mexico. in final 65+ countries/ including China, Unión Europea, UK, South stage USA
- **# YEARS FOR LOSSES COMPENSATION:** No limit of years
- **TAX ON INTEREST:** Gains from the sale of shares or ownership interests may be taxed at a reduced rate of 10% under certain conditions. Indirect sales of assets located in Chile are subject to an additional 35% tax. subject to exemption above mentioned and Comprehensive Double Taxation Agreement
- **TAX ON DIVIDENDS:** : Profits remitted abroad by a Chilean company to a foreign shareholder are subject to an additional income tax of 35%, with a deduction for the taxes paid by the company generating the profits.
- **VAT TAX:** 19%. Export of goods and services is zero rated.
- **OTHER TAXES:** The Stamp and Seal Tax applies to credit transactions, with rates ranging from 0.066% to 0.8%. Companies must also pay a Municipal License Tax, ranging from 2.5 per thousand to 5 per thousand, and the Property Tax on real estate, with rates between 1% and 1.4%.