

# The Chilean Tax System



## 04

01 PROTECTION FOR FOREIGN INVESTORS | 02 INVESTMENT INCENTIVES | 03 SETTING UP A COMPANY IN CHILE | **04 THE TAX SYSTEM** | 05 FOREIGN TRADE | 06 ENVIRONMENTAL ASSESSMENT SYSTEM | 07 LABOR LEGISLATION | 08 SOCIAL SECURITY | 09 INTELLECTUAL PROPERTY | 10 PERSONAL DATA PROTECTION AND PRIVACY | 11 CONSUMER PROTECTION | 12 MONEY LAUNDERING PREVENTION | 13 FREE COMPETITION | 14 PUBLIC CONCESSION SYSTEM | 15 IMMIGRATION REGULATIONS

Verlust bei...  
Beretta im...  
winn von...  
Laut den...  
LiveRamp...  
schließen...

egen  
dieser  
dessen  
ren Cash-  
mp-Angebots  
onnektivitäts-  
von Kundendaten  
Unternehmen nut-  
Anwendungen - wie  
Kundenbeziehung-  
aufbereitung kauf-  
Kunden-  
lassen sich  
verbin-  
Kum-  
Ge-  
Die Platt-  
Werbe-  
von

LiveRamp in US-Dollar



Nachricht		Termin		Wiederholungs	
1.11	140,50	5,96	46,50	15,13	17,17
-3,07	85,40	58,70	25,54	11,12	6,80
-0,63	59,05	31,20	2,80	3,82	5,4
-0,09	68,88	79,35	6,56	1,20	1,25
-2,97	50,05	19,11	2,21	0,04	0,5
1,58	9,24	3,25	9,93	2,04	11,12
	2,45	0,14	1,30	1,25	0,5
	0,00	0,53	22,12	15,7	3,6
	15,21	30,84	51,22	12,99	15,7
	2,45	0,14	1,30	1,25	0,5
	9,24	3,25	9,93	2,04	11,12
	2,45	0,14	1,30	1,25	0,5
	0,00	0,53	22,12	15,7	3,6
	15,21	30,84	51,22	12,99	15,7

## 04 The Chilean Tax System

### 1. Institutional Structure

The Chilean public institution responsible for taxation is the Internal Revenue Service (Servicio de Impuestos Internos or SII in Spanish).

([www.sii.cl](http://www.sii.cl))

For information purposes, the following is a brief explanation of the Chilean tax system.

### 2. General Principles

Individuals and legal entities domiciled or residents in Chile are taxed on their *worldwide income*, which is their income from both within and outside Chile.

However, only *Chilean-source income* is subject to tax in Chile for foreigners who establish domicile or residence in Chile, during their first three years. This term may be extended by the Regional Director of the Internal Revenue Service in specific cases.

An individual will be taxed for local source income during the first 3 years of residence in Chile if their nationality is determined to be foreign.

Individuals and legal entities *without domicile or residence* in Chile must pay tax on their Chilean income.

An individual is considered to be domiciled in Chile if, while in Chile, it can be presumed that they intend to remain in the country permanently. There are legal presumptions to determine the domicile of individuals, for example, domicile in Chile is not lost if the individual directly or indirectly keeps the headquarters of their business within the country.

An individual is deemed resident in Chile if they remain in Chile for periods—uninterrupted or not—that exceed 183 days in total within any twelve-month period.

A legal entity is considered domiciled in Chile if it is incorporated in Chile.

Chilean-source income is derived, among others, from:

- Assets located within Chile.
- Businesses operated in Chile, regardless of the taxpayer's domicile or residence.

- Royalties and rights for trademark use.
- Other similar benefits from the use of industrial or intellectual property in Chile.
- The indirect sale of certain securities outside Chile under specific circumstances, where the value corresponds to assets located in Chile, within legal parameters.
- Corporate shares and rights of companies incorporated in Chile.

See: [http://www.sii.cl/contribuyentes/contribuyentes\\_individuales/chilenos\\_extranjero.pdf](http://www.sii.cl/contribuyentes/contribuyentes_individuales/chilenos_extranjero.pdf)

### 3. Income Tax

Income tax is established by Decree Law No. 824 of 1974. It is a direct tax applied to capital increase and is generally paid annually based on a tax return that should be filed in April of the following year.

Income tax is levied on various sources of income through a range of rates:

- Income which predominantly results from capital (commonly called business income) is subject to first category (corporate income) tax.
- Income which predominantly results from effort (from the exercise of liberal professions and employment) is subject to second category (employee income) tax.
- Furthermore, the aforementioned income and any income generally received by an individual domiciled or resident in Chile is subject to overall complementary tax.
- Income from a Chilean source obtained by a non-resident or non-domiciled individual is subject to additional tax.

Both the global complementary tax and the additional tax are qualified as final taxes by law.

In Chile, first category tax paid may be credited against final taxes. In other words, the Chilean tax system recognizes taxes on business income when applying the tax to be retained on income distributed to final taxpayers, in order to avoid domestic double taxation. The percentage of this credit will depend on several factors, such as the tax system chosen by the distributor, as detailed below.

### a. First Category (Corporate Income) Tax

This tax is levied on income which predominantly involves capital over labor, specifically, income from land use, movable capital, commercial, industrial, and mining enterprises, among others.

The form of determination and the rate will depend on the taxpayer's tax regime.

Regardless of the regime, this tax is declared annually in April of the year following the respective tax year ended on December 31, comprising all the profits for the corresponding calendar year.

#### General Regime

This regime is called semi-integrated because, as a general rule, it involves partial credit against final taxes.

Profit or loss is determined on a full accrual basis, considering all revenues received or accrued, less costs and expenses accepted by law, paid, or due.

The applicable rate is 27%. Final taxes are applicable to remittances to owners. The rate applicable to non-domiciled and non-resident individuals is 35%.

If the profit remittance is made to a resident of a country with a double taxation treaty in force, 100% of the first category tax paid may be credited. Otherwise, credit is limited to 65%.

For residents of countries with a double taxation treaty in force, the maximum charge is 35%, while in other cases it can be up to 44.45%.

#### Pro-SME Regimes

For these purposes, SMEs are considered to be those companies that upon starting their activities have an effective capital that does not exceed 85,000 UF.\*

In addition, their average gross income in the last three years, including related parties in Chile and abroad, must not exceed 75,000 UF.\* However, the income may exceed the above limit for one time only, but must not exceed 85,000 UF.\*

Likewise, to be included in this regime, income from real estate leasing and income from movable capital must not exceed 35% of their income, which considers joint venture agreements, dividends, and withdrawals, among others.

SME regimes have common elements, such as administrative simplifications and the benefit of instant depreciation of fixed assets. Company owners can be either local or foreign. Once these requirements have been met, the following two regimes are available.

### **General Pro-SME Regime**

In this regime, taxable income is determined based on full accounting, with the option of simplified accounting. It takes into account all income received, less costs and expenses paid and accepted by law.

The applicable rate of first category tax is 25%. Final taxes are applicable to remittances to owners. The rate applicable to non-domiciled and non-resident individuals is 35%.

With respect to income from companies subject to the SME regime, first category tax paid can be credited 100% against final taxes.

### **Transparent Pro-SME Regime**

The owners of companies under this regime can be any type of foreign company. However, for owners who reside or are domiciled in Chile, the regime only admits individuals as owners of these companies.

Taxable income is determined on the basis of the purchase and sales registers, with the option of full accounting. As in the previous case, they must consider all income received, less costs and expenses paid and accepted by law.

The regime includes a number of administrative simplifications to reduce the cost of tax compliance, including a proposed annual tax return prepared by the tax administration.

Companies under this regime are exempt from first category tax, but their income is charged at the end of the year to the owners in the proportions established in the corporate agreement. In other words, income is only subject to the final taxes applicable to the owners. The rate for non-domiciled and non-resident individuals is also 35%.

### **Presumptive Income**

Taxpayers engaged in agricultural, transportation, and mining activities are eligible for this regime.

To be in this regime, the total income of the taxpayer and related parties, considering all types of income, must not exceed 9,000 UF\* for the agricultural regime, 5,000 UF\* for transportation and 17,000 UF\* for mining.

The effective capital at the start of business cannot exceed 18,000 UF\* for agriculture, 10,000 UF\* for transportation and 34,000 UF\* for mining.

The calculation of presumptions is detailed in the law for each type of income.

Income is deemed to be withdrawn at the end of the year in the proportion established in the bylaws and is subject to final taxes.

#### **Taxpayers not Subject to Art. 14**

This regime applies to taxpayers who, despite carrying out activities subject to first category tax, cannot distribute the positive result of the year, such as foundations and corporations incorporated in Chile.

#### **Second Category (Employee Income) Tax**

Second category tax is a progressive tax applied to income from liberal professions, such as fees for services, and income from employment, such as salaries, pensions (except foreign pensions), and complementary income.

The scale of rates is progressive, starting with an exempt range and ending with a taxable range with a rate of 40%.

This considers all payments made by the employer in exchange for work, whether in kind or in cash, after

deducting social security and health care payments. This tax must be retained and remitted monthly to the internal revenue service by the respective employer or income payer.

See [https://www.sii.cl/valores\\_y\\_fechas/impuesto\\_2da\\_categoria/impuesto2024.htm](https://www.sii.cl/valores_y_fechas/impuesto_2da_categoria/impuesto2024.htm)

In the case of fees, when the payer is a first category taxpayer, the payer must provisionally withhold the amounts corresponding to social security against second category tax, based on the following table:

2024	13.75%
2025	14.5%
2026	15.25%
2027	16%
2028 and thereafter	17%

View [https://www.sii.cl/destacados/boletas\\_honorarios/aumento\\_gradual.html](https://www.sii.cl/destacados/boletas_honorarios/aumento_gradual.html)

## Final Taxes

The Income Tax Law classifies the global complementary tax and additional tax as final taxes, since the payment of these taxes concludes taxation in Chile. We review these taxes below.

### Global Complementary Tax

Global complementary tax is a final tax levied on Chilean and foreign individuals domiciled or resident in Chile.

This tax is declared and paid annually in April following the year when the income was received. It uses a progressive rate scale that is applied to income ranges, which begins with an exempt range and uses the same rates and ranges as employee income tax, although it is applied on an annual basis. In other words, it covers all income received in Chile or abroad, where tax retentions serve as credit, based on the type of income. If the taxes payable are less than the remitted withholdings, then a balance results, which is refunded to the taxpayer.

### Additional Tax

Additional tax is a final tax applied to Chilean-source income received by individuals, legal entities, or any entities that are not domiciled or resident in Chile.

This tax must be withheld and paid to the tax authorities by the payer of the income.

The general rate of the additional tax for distribution of profits is 35%. The first category tax previously paid against this tax will serve as a credit of 65% or 100%, depending on the tax system chosen by the income-generating company or if a double taxation treaty is in force with the country of residence of the remittance beneficiary.

See [https://www.sii.cl/normativa\\_legislacion/convenios\\_internacionales.html](https://www.sii.cl/normativa_legislacion/convenios_internacionales.html)

The additional tax may also operate as a single income tax in cases where a person who is not domiciled and resident in Chile receives Chilean-source income or charges Chilean taxpayers for services rendered, either inside or outside the country. The general rate in this case is also 35%, however, there are several reduced rates, as detailed in the following table.

## Additional Tax Rates

Description	Rate
<p><b>Dividends, Remittances, and Withdrawals</b></p> <p>Dividends distributed by corporations, simplified corporations, and limited partnerships formed in Chile; remittances made to owners of partnerships and withdrawals of profits from partnerships; remittances made to foreign parent companies and withdrawals of profits from permanent establishments in Chile.</p>	<b>35%</b>
<p><b>Capital Gains</b></p> <p>Income from the disposal of shares or corporate rights. Income derived from the sale of shares on the stock exchange. (further requirements apply).</p>	<b>10%</b>
<p><b>Royalties General Rate</b></p> <p>Income from the use, enjoyment or exploitation of trademarks, patents, formulas and other similar benefits, as royalties or as any other form of remuneration, excluding payments for tangible goods imported into Chile up to a generally accepted cost.</p>	<b>30%</b>
<p><b>Invention Patents</b></p> <p>Income from the use, enjoyment or exploitation of patents, utility models, industrial drawings and designs, integrated circuit designs or topographies and new plant varieties.</p>	<b>15%</b>
<p><b>Licenses for Computer Programs</b></p> <p>Income from the exploitation of software, which is understood to be the instructions directly or indirectly used by a computer or processor, in order to achieve a specific result or operate a process. Licenses that are limited to use are exempt from this tax, but are subject to VAT.</p>	<b>15%</b>
<p><b>Movies and Television</b></p> <p>Foreign income for producers or distributors from materials to be exhibited through movie and television broadcasts.</p>	<b>20%</b>

<b>Publication Rights</b>	<b>15%</b>
Income from the use of publication rights or book copyrights.	
<b>Interest</b>	<b>35%</b>
General Rate	
Rate applied to interest paid to foreign banks or financial institutions that meet the requirements of the Income Tax Act.	<b>4%</b>
<a href="https://www.sii.cl/preguntas_frecuentes/renta/001_002_4223.htm">https://www.sii.cl/preguntas_frecuentes/renta/001_002_4223.htm</a>	
<b>Foreign Services</b>	<b>35%</b>
General rate for remuneration for services rendered abroad.	
<b>Engineering or Technical Work</b>	<b>20%</b>
Income from engineering or technical work and for professional or technical services provided by a person or legal entity that provides scientific or technical services, advice, reports or plans, in Chile or abroad.	
<b>Scientific, Cultural or Sports Activities</b>	<b>20%</b>
Remuneration exclusively for foreign individuals who perform scientific, cultural or sports activities in Chile.	
Insurance premiums with non-Chilean insurance companies.	<b>22%</b>
Reinsurance rate.	<b>2%</b>
Maritime freight to or from Chilean ports by foreign companies.	<b>5%</b>
Leasing, subleasing and chartering of foreign vessels.	<b>20%</b>
Leasing of capital assets (a rate of 5% is assumed for each installment).	

### b. Specific Mining Tax

As of 2023, this tax was no longer included in the Income Tax Law and is now included in Law 21.591. The new law applies from January 1, 2024.

Despite this change, it still affects the operating income of a mining business, which is any individual or legal entity that extracts concessionable minerals and sells them in any form.

The main change implemented by the new law is the incorporation of an ad valorem element of 1%, which affects copper sales over 50,000 metric tons.

It maintains the general rule that applies a progressive rate varying between 5% and 14% to mining operators whose annual sales exceed the equivalent value of 50,000 metric tons of fine copper. Those with annual sales that exceed the equivalent value of 12,000 metric tons of fine copper, but not the equivalent value of 50,000 metric tons, are subject to a progressive rate that varies between 0.4% and 4.4%. Those with annual sales that do not exceed the equivalent value of 12,000 metric tons of fine copper are not subject to this tax.

### c. Value-Added Tax (VAT)

VAT is the main tax on consumption in Chile, which is declared and paid monthly. This tax of 19% is levied on the following transactions:

- Habitual sales of real and personal property;
- Services provided or used in Chile; and
- Regular and occasional imports into Chile by any individual or legal entity.
- This tax also applies to the Treasury, semi-fiscal institutions, autonomous State administrative agencies, municipalities, and companies owned by them or where they hold an interest.

Exporters are exempt from VAT on foreign sales. They are entitled to recover the VAT on goods purchased or services used for their exports.

Likewise, companies receiving foreign investment, such as foreign investors, may apply for VAT exemption on the import of capital goods. Requests are submitted to the Finance Ministry, which analyzes the supporting information and grants the exemption. Subsequently, it notifies the Internal

Revenue Service and the Customs Service and sends them a copy of the resolution granting the exemption and the supporting information.

Ver: <http://hacienda.gob.cl/documentos/formulario-exencion-iva-importacion.html>

#### d. Other Taxes

##### Business Licenses

Individuals engaged in a profession or commercial or industrial business must pay an annual tax to their local municipality.

This tax is a fixed amount for individuals providing professional services. It varies between 0.5% and 0.25% of the company's equity for commercial or industrial businesses, subject to a maximum of 8,000 UTM.\*\*

##### Foreign Trade Tax

Imports are subject to ad valorem customs duty, which varies by the type of merchandise and averages around 6%. However, due to the application of the network of free trade agreements that Chile has undersigned, the average effective rates are usually less than 1%. The ad valorem customs duty is based on the CIF value (Cost, Insurance and Freight).

Additionally, VAT at 19% applies to the import and is calculated based on the CIF value plus the ad valorem customs duty and any other special taxes. The National Customs Service (Servicio Nacional de Aduanas) is responsible for overseeing foreign trade taxes ([www.aduana.cl](http://www.aduana.cl)).

##### Imported Used Merchandise Tax

A 3% surcharge is levied on their CIF value and any other taxes according to their nature.

If the merchandise originates from a country that has a trade agreement with Chile, it may be exempt from ad valorem customs duty or be eligible for a percentage reduction.

##### Stamp Tax

This tax is levied on documents that describe loan transactions, for example, bills of exchange or promissory notes, and a fixed or variable rate is applied, as appropriate. It has several rates—e.g. 0.332% for demand operations—and the maximum rate for term operations is 0.8%.

### **Inheritance, Bequest, and Donation Tax**

This tax is progressive and varies according to the amount, the purpose of the gift, and the degree of kinship with the beneficiary.

### **Property Tax**

This tax is levied on real estate property and is based on an official property appraisal. This is an annual tax, but can be paid in four installments in April, June, September, and November each year. The rates provided by law range from 1% to 1.4%. However, they may periodically rise or fall depending on a variety of circumstances. Likewise, depending on the value of the total real estate owned by a taxpayer, surtaxes ranging from 0.075% to 0.425% may be applied.

### **Casino Tax**

Admission to the games rooms at casinos operating in Chile is subject to a tax of 0.07 UTM.\*\*

Companies operating gaming casinos are subject to a 20% tax on their gross income, net of VAT and provisional monthly tax payments (PPM).

See: [Internal Revenue Service \(SII\) www.sii.cl](http://www.sii.cl)

## **4. Tax Returns and Payment**

Employers, financial institutions, commercial companies and any other entities that retain taxes, or pay income, interest and other amounts that are reported to the Internal Revenue Service are required to file tax returns.

Monthly tax returns must be filed by:

- Companies subject to corporate income tax and individuals working independently must declare a provisional monthly tax payment, which is treated as an advance payment of annual taxes.
- Employers are required to retain the associated income taxes from each employee's remuneration.
- Taxpayers subject to value-added tax.

VAT must be declared and paid within the first 12 days of the month after the month when the VAT was withheld. Form 29 issued by the Internal Revenue Service is used for the monthly declaration and simultaneous payment of taxes. The deadline for filing this form can be extended to the 20th of each month, if the taxpayer bills electronically and files the return online.

An annual tax return must be filed by taxpayers subject to corporate income tax, overall complementary tax or additional tax. These returns must be filed and the corresponding tax paid in April each year on their net taxable income received during the previous calendar year, using Form 22 on income issued by the Internal Revenue Service.

Taxpayers who have registered a secret password that gives them access to the online procedures offered by the Internal Revenue Service can file their monthly and annual tax returns and payments online.

See: <http://bit.ly/2nID3Fn>

### 5. Treaties that Avoid Double Taxation

Treaties for the avoidance of double taxation or international double taxation treaties aim to distribute the tax authority between countries, providing relief from double taxation, either because the source country agrees not to apply a tax, or agrees on the maximum rate applicable to income, while the other country agrees to credit the taxes paid in the source country in keeping with the rules of the agreement.

The source country benefits from receiving the foreign investment and the investor's country of residence is relieved from double taxation of its companies.

This type of treaty also promotes collaboration between the tax authorities of the Contracting States, which can obtain information from their counterparts for tax audits.

The treaties have special rules that differ from domestic regulations, which determine the parties benefiting from the treaty, the types of taxes covered, the maximum rates applicable, among other matters, and provide information in advance regarding the tax costs to be borne by investors for income generated in the contracting States.

As of 2024, there are 37 double taxation avoidance treaties in force in Chile, which were signed with the following countries: Argentina, Australia, Austria, Belgium, Brazil, Canada, China, Colombia, Croatia, Czech Republic, Denmark, Ecuador, France, India, Ireland, Italy, Japan, Korea, Malaysia, Mexico, Netherlands, New Zealand, Norway, Paraguay, Peru, Poland, Portugal, Russia, South Africa, Spain, Sweden, Switzerland, Thailand, United Arab Emirates, United Kingdom, United States, and Uruguay.

See: [www.subrel.gob.cl](http://www.subrel.gob.cl) and [www.sii.cl/normativa\\_legislacion/convenios\\_internacionales.html](http://www.sii.cl/normativa_legislacion/convenios_internacionales.html)

## 6. Frequent Tax Procedures

### a. Registration in the Single Taxpayer Registry (RUT)

Foreigners who do not have residence or domicile in Chile must register in the single taxpayer registry in some cases; for example, if they become owners of assets located in Chile that may be income generating.

All foreign investors who register in the RUT must appoint a representative to represent them before the Internal Revenue Service. The representative may be Chilean or foreign, but must have domicile or residence in Chile.

If a foreigner wishes to settle in Chile because they are going to acquire domicile or residence in the country, it is highly advisable to coordinate the immigration procedures prior to registration in the RUT (single taxpayers registry).

A normal or simplified procedure can be used to register a RUT:

#### - Normal Procedure

A foreign investor can be represented before the Internal Revenue Service either personally or through their representative with domicile or residence in Chile.

If representation is in person, then they must be accompanied by the legal representative. Their passport or identity card must be submitted, and “**Form 4415 for**

**Registering a RUT and/or Legal Declaration to Start the Business”** (F-4415 de Inscripción al RUT y/o Declaración Jurada de Inicio de Actividades) must be completed.

If representation is by the legal representative, then the foreign investor must grant them power of attorney with sufficient authority to represent them before the Internal Revenue Service, especially the authority to complete, sign and legalize Form 4415, to receive notifications and to respond to any summons to represent the foreign investor before the tax authority. This power of attorney must be granted before a Chilean notary public, or before a foreign notary public, in which case it must be apostilled in keeping with The Hague Convention or legalized by the respective Chilean Consul and the Ministry of Foreign Affairs in Chile, and then notarized by a Chilean notary public. In addition, for this procedure, the tax administration normally requires a certificate of tax residence of the foreign taxpayer stating their tax identification number, a certificate of good standing for corporations, documents showing that the representatives of corporations have the power to grant a power of attorney to the representative in Chile, together with the bylaws of the foreign entity, all of which must also be apostilled or legalized.

See: <http://www.sii.cl/formularios/imagen/4415.PDF>.

### - Simplified Procedure

This procedure is directly performed by banks and authorized securities brokers that register investors who invest in Chile, in order to receive income from stock market transactions involving the purchase and sale of shares of publicly held corporations, regardless of their stock market presence, of fixed income instruments, money market instruments, mutual fund units or certain contracts.

### b. Notification of Starting a Business

This procedure is only necessary if the investment involves starting a business in Chile.

The taxpayer files a sworn statement that informs the Internal Revenue Service that they are starting a business in Chile, which may be subject to taxes.

Individuals not resident or domiciled in Chile can start a business after investing in Chile by forming a company or a permanent establishment in Chile. Investors not resident or domiciled in Chile who only receive investment income are required to request a RUT, but not to start a business.

Applications to start a business can be filed on the website [www.sii.cl](http://www.sii.cl), or by the taxpayer or their representative with sufficient authority by filing the corresponding form.

### c. Document Stamping

Taxpayers that have started their business must get various accounting records and documents stamped by the Internal Revenue Service. These may be issued electronically or on paper with a dry stamp.

See: [www.sii.cl](http://www.sii.cl)

### 7. Frequent Permits

Permits may be required to operate the desired business. These are granted by several agencies and they depend on the nature of the business. For example, they can be issued by a municipality or the regional secretariat for a ministry.

Permit	Description	Granting Agency
Prior information certificate	It indicates whether the physical site where the business will be located is compatible with the intended commercial use, and indicates the potential for building or expanding on that site	Works Directorate at the respective municipality
Municipal zoning certificate	It indicates in advance whether a commercial business can operate at a specific address. It also describes the building requirements.	Works Directorate at the respective municipality
Building permit	It is required to construct, reconstruct, repair, expand or demolish urban or rural buildings or urbanization works of any nature.	Works Directorate at the respective municipality
Minor work permit	It authorizes the interested party to carry out works that do not alter the main structure of the building.	Works Directorate at the respective municipality
Final reception of works	It authorizes a property to be inhabited or used for its intended purpose.	Works Directorate at the respective municipality
Health permit	The authorization of the respective Regional Secretariat for Health is required if the commercial business handles food or hazardous substances.	In person or online from the Regional Secretariat for Health or the Health Service for the company's domicile
Permit to install utilities	It reports the commissioning of works related to electricity generation, production or storage or fuel distribution.	Online from the Electricity and Fuels Superintendency ( <a href="http://www.sec.cl">www.sec.cl</a> )
Special permits	<p>These are numerous and depend on the commercial business and the local municipality. They include:</p> <ul style="list-style-type: none"> <li>– Particulate matter emissions certificate.</li> <li>– Zero Procedure: This procedure applies to companies considered to be eco-friendly, or with low environmental or public health risks. The health authority is committed to issuing a health authorization certificate within an hour. The legal representative must request it at the offices of the Regional Secretariat for Health.</li> <li>– Permit to commercialize electrical, gas, and liquid fuel products.</li> <li>– Request for a final electrical concession.</li> </ul>	<i>Depends on the required permit. The respective municipality should be consulted.</i>

## 8. Municipal Business License

Permits and licenses granted by municipalities are governed by Law 18.695, Organic Constitutional Municipality Act, and Law 3.063 on Municipal Revenues.

After obtaining the municipal permits to operate the desired business, the interested party must apply for a municipal license at the Business License Department of the local municipality. This license authorizes the company to operate within the municipality. If this application is supported by all the permits required by the Law, the municipality should immediately grant a provisional or full license, as appropriate.

See: [www.chileatiende.gob.cl](http://www.chileatiende.gob.cl)

## 9. Tax on Fixed Emissions

There is a tax on fixed emissions of particulate matter, nitrogen oxides, sulfur dioxide, and carbon dioxide, to the extent that the sources, individually or as a whole, emit 100 or more metric tons per year of particulate matter, or 25,000 or more metric tons per year of carbon dioxide.

This tax is annual and is calculated based on a series of factors related to the emissions of each source, the quality of the air in each place, among others, which allow the environmental and tax authorities to establish the tax applicable to each case.

The law contemplates the possibility of reaching an agreement on emission offset and reduction plans with the sectoral authorities.

## 10. Regional Contribution

This tax applies to investments in fixed assets made by taxpayers required to determine their income through full accounting, to the extent that they are subject to the environmental impact assessment system provided for in Article 10 of Law 19.300.

This tax amounts to 1% of the value exceeding ten million United States dollars.

Unlike other levies, this one is not periodic and is applied only once. Broadly speaking, this tax will accrue when the respective project produces operating income, without considering depreciation.

## 11. VAT Refund to Exporters

The Sales and Services Tax Law grants exporters the right to request a refund of the surcharged VAT tax credit when acquiring goods or using services destined for their export activity. There are three ways to apply for this benefit.

The first is provided for in Articles 80 and following in the Sales and Services Tax Law and requires, among other things, that the application be submitted to the tax authority in the month following the month in which the export took place.

The second is established in Article 6 of Decree No. 348 of 1975 and enables an early export refund. Among other requirements, this requires that submission of an investment project to the Ministry of Economy, Development and Reconstruction.

The third way to obtain this benefit is provided for in Article 126 No. 3, second paragraph of the Tax Code, which makes it possible, within the statute of limitations, to request that the tax authority provide the benefits that were not requested by the taxpayer within special deadlines.

\*UF is an accounting unit that is readjusted daily.

\*\*UTM is an accounting unit that is readjusted monthly.

The value of both accounting units can be found at [https://www.sii.cl/valores\\_y\\_fechas/index\\_valores\\_y\\_fechas.html](https://www.sii.cl/valores_y_fechas/index_valores_y_fechas.html).