



COMPANY FORMATION IN CHILE

MAIN FORMS OF COMPANY/BUSINESS IN CHILE

- a) Foreign Agencies,
- b) Limited Liability Companies,
- c) Open Public Companies limited by shares, and
- d) Closed Public Companies limited by shares.

SPECIFIC TAX CONCERNS RELATED TO ESTABLISHING A COMPANY

- a) Income tax with rates from 22,5% (Y2015); 24% (Y2016); 25,5% (Y2017) to 28% (Y2018 onwards);
Business profit tax and Mining activity tax
- b) Tax on individuals: Second category tax (employees) and Complementary Global tax
- c) Tax on non residents and additional tax
- d) Tax on sales of goods and services 19%
- e) Specific taxes (fuel and tobacco)
- f) Other taxes: Customs duties; Stamp duty; Tax on gambling; Tax on inheritance and Donations

LEGAL ISSUES RELATED TO ESTABLISHING A COMPANY

- a) With address in Chile, subscribe statutes to authorities;
- b) Fulfill a "start activities" form

There is a quick procedure called "entity in one day" that can save a lot of time and resources.

CULTURAL CONCERNS RELATED TO ESTABLISHING A COMPANY

- a) Holidays arise 15 current days for each year worked, and employees could take them with preference in summer (January and February)

OTHER COUNTRY-SPECIFIC ISSUES RELATED TO ESTABLISHING A COMPANY

- a) Tax authorities requires documentation demonstrating address in a lease contract or equivalent.
- b) Some activities requires ISO 9000 certification to perform commercial trades, such as Workers' Trainer.