



# Chile

## VAT Standard rate

The standard VAT rate in Chile in 2023 is 19%, which applies to sales, services and imports. Any sale of a good or service made in Chile is subject to VAT.

## VAT registration threshold

There is no registration threshold in Chile. All businesses providing activities, which are subject to VAT are required to register and pay VAT in Chile.

## Deductible VAT

VAT in Chile is charged by the seller of goods or services and then collected from the buyer.

Then the supplier reports and pays the collected VAT to the tax authorities. Also, VAT taxable persons may deduct VAT paid on inputs from VAT charged on sales and report the difference to the tax authorities.

Export supplies are exempt from VAT, but it is possible to refund VAT paid on export activities in the form of cash refunds. Input tax charged by businesses that are not registered as VAT payers in Chile is not subject to refund.

## Registration procedure

All businesses must file an application form to start a business and an application for a taxpayer identification number (RUT). It should be submitted to the Chile Tax Department's Web site.

## **Keeping records**

The period of keeping records in Chile must be six years, starting from the reporting period to which the records refer.

## **VAT returns filing and payment date**

VAT returns in Chile are submitted on a monthly/quarterly basis. VAT payers should file return and pay VAT electronic returns before the 20th day of the month following the reporting period. VAT returns should be paid in Chilean pesos (CLP).

## **Penalties**

In case of late payment and filing of the VAT return in Chile penalties 1.5% per month are applied. Fines equal to 10-60% of the tax due are also levied.

