



Chile

This guide covers only the taxation of digital services. If you sell goods, this guide does not apply.

Law No. 210 of February 24, 2020, establishes that paid remote services provided by non-residents not residing in Chile must pay value-added tax (VAT) from June 1, 2020.

VAT Standard rate

The standard VAT rate in Chile in 2023 is 19%.

Threshold

The threshold is not set.

Who should register?

Taxpayers without domicile or residence in Chile provide remotely taxed services acquired in Chilean territory by natural or legal persons.

E-services list

Digital entertainment content, like audiovisual service, music, games, or other analogs, through downloading, streaming, or other technologies, including texts, magazines, newspapers, and books for these purposes.

Software, storage, platforms, or computing infrastructure.

Advertising, regardless of the means or means by which it is delivered, materialized, or executed.

Pieces of evidence

The service will be considered delivered in Chile if at least two of the following conditions are met:

- The IP address of the network used is in Chile;
- Billing address;
- Buyer's bank address;

- Chilean SIM card.

Registration procedure

The registration procedure is effortless. It is enough to send the registration form to the tax website. Simultaneously with registration, you will receive a personal account with which you will need to file tax returns.

The type of currency (US dollars, Euros, or Chilean pesos) and the frequency of declaration and payment must be specified during registration. After the elections are held, they cannot be changed until January 1 of next year.

Tax representative

A representative is not required. It is enough that the company has entered an official contract during registration.

VAT filing and payment

Declarations are submitted on a monthly/quarterly basis. You can choose a convenient period for you in the application for registration. The deadline for filing and deadline for payment of the declaration is the first twenty days of the month following the period to be announced.

For declarations in foreign currency, the corresponding tax must be paid using a SWIFT transfer, which is identified by a SWIFT code or a BIC code (bank identifier). This code allows you to identify the receiving bank when making an international transfer.

Penalties

The interest of 1.5% for each month the VAT is not reported and paid.

Fines: 10% – 60% may fall due.



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