

GMS Flash Alert

2024-098 | April 24, 2024

Argentina – Wealth Tax Deadline of April 30 for Repatriating Foreign Assets

In accordance with National Decree DR 281/2024, Argentina’s government approved the extended deadline to repatriate foreign currency holdings until April 30, 2024 (it had been March 31, 2024).¹

WHY THIS MATTERS

It is important to note that individuals subject to taxation in Argentina on their worldwide assets have the opportunity to reduce their tax rate by repatriating 5 percent of their foreign currency holdings from abroad.

More Details

Taxpayers considered as tax residents as of December 31 of each year have compliance obligations in relation to declaring their “wealth” and paying taxes in Argentina on their worldwide assets. Under this regime, different tax rates apply to assets held in Argentina compared to those held abroad. The minimum nontaxable amount for fiscal year 2023 is ARS 27,377,408.28.

Wealth Tax Rates on Assets in Argentina (for fiscal year 2023)

| FY 2023 Asset Range (ARS) | |
|------------------------------------|----------|
| FROM - TO | Tax Rate |
| 0 to 13,688,704.14 | 0.50% |
| 13,688,704.14 to 29,658,858.98 | 0.75% |
| 29,658,858.98 to 82,132,224.86 | 1.00% |
| 82,132,224.86 to 456,290,138.07 | 1.25% |
| 456,290,138.07 to 1,368,870,414.25 | 1.50% |
| 1,368,870,414.25 and above | 1.75% |

Source: KPMG in Argentina

Wealth Tax Rates on Foreign Assets (for fiscal year 2023)

| FY 2023 Asset Range (ARS) | |
|--------------------------------|----------|
| FROM - TO | Tax Rate |
| 0 to 13,688,704.14 | 0.70% |
| 13,688,704.14 to 29,658,858.98 | 1.20% |
| 29,658,858.98 to 82,132,224.86 | 1.80% |
| 82,132,224.86 and above | 2.25% |

Source: KPMG in Argentina

This increased percentage can be avoided if 5 percent of the assets abroad are converted into cash and **repatriated before March 31 inclusive (deadline extended for this year to April 30)**. The repatriated funds need to be deposited in certain financial institutions maintained in the country until December 31 of the year of repatriation.

KPMG INSIGHTS

Companies with globally-mobile employees – especially Argentine citizens living abroad – with assets (whether inside or outside Argentina) subject to the wealth tax under Argentine law, should consult with their tax service professionals about completing and filing their tax returns and paying their taxes.

There could be benefits for repatriating some part of the taxpayer's foreign currency holdings abroad. Questions about the rules, who they apply to, and what next steps are advisable should be addressed to a qualified tax professional or a member of the GMS team with KPMG in Argentina (see the Contacts section).

FOOTNOTE:

1 See Decree DR 281/2024: *Boletín Oficial de la República Argentina, Decreto 281/2024* at: <https://www.boletinoficial.gob.ar/detalleAviso/primera/305209/20240327>.

Also see, Law 27.667 (Wealth Tax Regulations): *Boletín Oficial de la República Argentina, Ley 27667* at: <https://www.boletinoficial.gob.ar/detalleAviso/primera/255530/20211231>.

* * * *

ARS 1 = EUR 0.001
ARS 1 = USD 0.0011
ARS 1 = GBP 0.0092
ARS 1 = BRL 0.006
ARS 1 = CAD 0.00157

Source: www.xe.com

RELATED RESOURCES

For related coverage, see the following issues of *GMS Flash Alert*:

GMS Flash Alert 2021-027, "Argentina – Taxpayers' Wealth Will Be Subject to Mandatory and Extraordinary Contribution" (January 15, 2021) at: <https://assets.kpmg.com/content/dam/kpmg/xx/pdf/2021/01/fa21-027.pdf> .

GMS Flash Alert 2022-006, "Argentina – Wealth Tax Changes to Non Taxable Minimum, Tax Rates" (January 12, 2022) at: <https://assets.kpmg.com/content/dam/kpmg/xx/pdf/2022/01/fa22-006.pdf> .

GMS Flash Alert 2022-195, "Argentina – Taking Steps to Tax Foreign Currency Purchases Made Abroad" (October 27, 2022) at: [https://kpmg.com/xx/en/home/insights/2022/10/flash-alert-2022-195.html?%25%25=v\(@tracking_params\)=%25%25](https://kpmg.com/xx/en/home/insights/2022/10/flash-alert-2022-195.html?%25%25=v(@tracking_params)=%25%25) .

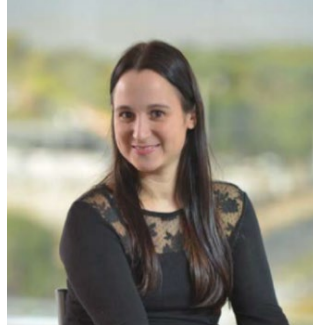
GMS Flash Alert 2023-087, "Argentina – Update on Parameter Regarding 2022 Informative Tax Return Filings" (April 25, 2023) at: [https://kpmg.com/xx/en/home/insights/2023/04/flash-alert-2023-087.html?%25%25=v\(@tracking_params\)=%25%25](https://kpmg.com/xx/en/home/insights/2023/04/flash-alert-2023-087.html?%25%25=v(@tracking_params)=%25%25) .

Contact us

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