

# GMS Flash Alert

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## Argentina – Changes to Wealth Tax under Recently-Enacted Tax Reform

Argentina's Congress recently approved changes to the wealth tax through a new tax reform law. The tax reform had been known as "El Proyecto de Ley de Medidas Fiscales Paliativas y Relevantes" (Fiscal Package Law or "Palliative and Relevant Tax Measures" in English)<sup>1</sup> and is now enacted in law. These changes are retroactively in force for FY 2023.<sup>2, 3</sup>

In this *GMS Flash Alert* we focus on the changes to the wealth tax.

### WHY THIS MATTERS

It is important to note that individuals subject to taxation in Argentina on their worldwide assets will have a reduced tax burden, as all the changes reduce wealth tax liability. For those companies that cover wealth tax for their mobile employees under their international assignment policies, they should experience a reduction in their international assignment costs.

### More Details

Taxpayers considered as tax residents have compliance obligations around informing the fiscal authorities of their "wealth" (the value thereof) as of December 31 of each year and paying taxes in Argentina on their worldwide assets. (For related coverage, see [GMS Flash Alert 2024-098](#), 24 April 2024.) Under this regime, the same tax rates apply to assets held in Argentina and abroad.

### Tax Reform Modifications

- The minimum nontaxable amount for fiscal year 2023 has changed from ARS 27,377,408.28 to ARS 100,000,000 (USD 124,154.00 equivalent as of December 31).
- Wealth tax rates on assets in Argentina and abroad (for fiscal year 2023) are noted in the table on the next page. Note that the previous top tax rate of 1.75 percent has been repealed.

FY 2023 Asset Range (ARS)	
Range	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%

Source: KPMG in Argentina

- Wealth tax rates on foreign assets (for fiscal year 2023 onwards) have been removed.
- Each fiscal year, until FY 2026, the highest bracket of the previous fiscal year table will be removed. (i.e., for FY 2024, the highest bracket in the table will be 1.25 percent).
- From FY 2027 onwards, the only tax rate will be 0.25 percent.
- The taxpayer's home-property exemption amount has been changed from ARS 56,410,705.41 to ARS 350,000,000 (USD 434,539.00 equivalent as of December 31).

## KPMG INSIGHTS

Pertinent to the news reported in this *GMS Flash Alert*, there could be advantages if the taxpayer decides to join a special regime for wealth tax until July 31, 2024 inclusive. (We will issue very shortly a separate *GMS Flash Alert* on this matter.) This date could be extended until September 30, 2024, inclusive (for related coverage, see [GMS Flash Alert 2024-098](#), 24 April 2024).

Questions and concerns about what the scope of the wealth tax is, which taxpayers are liable, and the reporting/declaration, filing, and payment responsibilities, should be addressed to a qualified tax professional or a member of the tax team with KPMG in Argentina (see the Contacts section).

## FOOTNOTES:

- 1 See a [report/analysis](#) (in Spanish) from the *Oficina de Presupuesto del Congreso*.
- 2 Published in the online *Boletín Oficial de la República Argentina*: [Ley 27743 / Law No. 27,743](#).
- 3 Still pending statutory measures and additional general regulations from the different authorities involved.

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## Contact us

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**The information contained in this newsletter was submitted by the KPMG International member firm in Argentina.**

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