KPMG

Taxation of international executives: Chile

September 2026

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01

Overview and Introduction

1 Overview and Introduction

The taxation of international executives in Chile, will depend on the conditions of the assignment. Foreign workers who become residents or are considered domiciled for Chilean tax purposes, will be subject to taxes in Chile on their Chilean source income for the first 3 years of their stay in the country/jurisdiction. After the third year, foreign workers are subject to taxes on their worldwide income. Foreign workers who do not meet the requirements to become residents or are not considered domiciled for Chilean tax purposes will be subject to the Additional Tax (a flat tax rate of 35 percent, which can be reduced to 15 percent for employment income for professional/technical services).

The official currency in Chile is the Chilean peso (CLP).

In Chile there are 16 different types of Temporary Residence Permit (Visas) that can be requested by foreign individuals to live in Chile for at least 2 years (with few exceptions) and most of these residence permits also allow individuals to work in the country.

To apply for a Temporary Residence Permit, individuals must meet the specific requirements of the type of residence permit they will apply for, such as employment relationship with a Chilean Company, or family ties, or investments in the country, among others. Every first-time visa application must be submitted from abroad with the National Immigration Service of Chile through their digital platform. There are few types of Temporary Residence Permits that allows individuals to submit the application in Chile.

Temporary Residence Permits can be renewed for the same validity period and some permits also allow individuals to request a Definitive Residence, as long as they meet the requirements of this migratory benefit.

02

Income tax

2 Income Tax

2.1 Tax returns and compliance

When are tax returns due? That is, what is the tax return due date?

Annual income tax returns

The due date for filling the annual tax return will depend on whether it results in a balance due or a refund of tax. If it results in a balance due the due date is 30 April, and if it result in a refund the due date is 8 May (these deadlines are subject to an annual review). It is important to note that under both scenarios the due dates are in the year following the year the income was received.

Informative income tax returns

If the taxpayer is required to report and pay taxes on the income related to investments abroad, a Sworn Statement 1929 must be filed. The due date for the Sworn Statement 1929 is 30th June (this deadline is subject to an annual review). Note that the Sworn Statement 1929 also apply to inform the investments that the Chilean national and the foreigners have abroad.

Monthly income tax returns

Non-resident Tax

In cases, where non-resident taxpayers are subject to the Additional Tax for any Chilean sourced income earned. Depending on the nature of the income, they must self-report and pay the tax related through monthly tax returns. The due date for this is the 12th day of the following month of payment of the income.

Resident

When, taxpayers that are considered residents for Chilean tax purposes, in some cases they must declare and pay the corresponding taxes by the 15th day the following month of payment of the income.

What is the tax year-end?

December 31st of each year.

What are the compliance requirements for tax returns in Chile?

Resident taxpayers are required to pay income taxes and may have an annual income tax return obligation on their worldwide income. In the case of non-Chilean nationals, they are taxable solely on Chilean source income for this first 3 years in Chile and would become taxable on worldwide income from the fourth year on. As in the case of resident taxpayers, the annual income tax return obligation will need to be analysed on a case by case basis. For non-residents taxpayers they are taxable solely on their Chilean source income and the withholdings tax (made through payroll or monthly income tax returns) is a final tax with no further annual filing obligation.

If the individual is paid through foreign payroll, and there in no shadow payroll in place to report this income on Chilean payroll then a monthly income tax return obligation may arise. This typically occurs when the individual does not have a local Chilean contract in place or under a split payroll scenario. The monthly income tax return is a taxpayer obligation where the individual self-withholds and pays the corresponding taxes through monthly income tax returns for the income that is not reported through a Chilean payroll. Lastly, foreign individuals assigned to Chile must obtain a Chilean National Tax ID (RUT) and a password for the Chilean IRS website (www.sii.cl) in order to be able to file their annual tax return.

2.2 Tax rates

What are the current income tax rates for residents and non-residents in Chile?

Residents

Second Category Income Tax

A resident for Chilean tax purposes will be taxable with the residents Chilean income tax rates, and subject to Second Category Tax (employment income tax) on a monthly basis, which has progressive rates ranging from 0 to 40 percent.

Current tax rates are showed in the chart below: Second Category Income Tax – September 2026*

Taxable income bracket		Tax Rate	Tax rebate
From CLP	To CLP	%	CLP
0	968.233,50	0	0
968.233,50	2.151.630,00	4	38.729,34
2.151.630,01	3.586.050,00	8	124.794,54
3.586.050,01	5.020.470,00	13.5	322.027,29
5.020.470,01	6.454.890,00	23	798.971,94
6.454.890,01	8.606.520,00	30.4	1.276.633,80
8.606.520,01	22.233.510,00	35	1.672.533,72
22.233.510,01	Onwards	40	2.784.209,22

*Please note that the monthly tax tables are updated on a monthly basis for inflation purposes.

Global Complementary Tax

Foreign workers who have been considered residents or domiciled for Chilean income tax purposes, may be obligated to file an annual income tax return. Those taxpayers obliged to file an annual income tax return and who have received additional income apart from their salary income, are subject to the Global Complementary Tax. This tax applies if the worker has earned other income apart from employment income, has been granted with a tax benefit, or is entitled to have a tax refund.

The same monthly table shown above applies for the annual tax calculation with the tax brackets being annualized and adjusted for the corresponding inflation factors.

Both the monthly and the annual tax table values are determined based on the “Unidad Tributaria Mensual”, a monthly value given by the tax authority that varies due to inflation.

Global Complementary Tax Year 2026

Taxable income bracket		Tax Rate	Tax rebate
From CLP	To CLP	%	CLP
0	11.265.804,00	0	0
11.265.804,01	25.035.120,00	4	450.632,16
25.035.120,01	41.725.200,00	8	1.452.036,96
41.725.200,01	58.415.280,00	13.5	3.746.922,96

Taxable income bracket		Tax Rate	Tax rebate
From CLP	To CLP	%	CLP
58.415.280,01	75.105.360,00	23	9.296.374,56
75.105.360,01	100.140.480,00	30.4	14.854.171,20
100.140.480,01	258.696.240,00	35	19.460.633,28
258.696.240,01	Onwards	40	32.395.445,28

Non-residents

If an executive is considered nonresident and not domiciled in Chile for tax purposes, they will be subject to nonresidents income tax (Additional Tax), which is levied at a flat rate of 15 percent on the gross employment income, if the activities can be qualified as technical or professional services that an individual renders through a report, advice or plan development, rendered in Chile or abroad. If the activity performed, does not qualify as technical or professional work, the tax rate applicable is 35 percent.

2.3 Residence rules

For tax purposes, the resident status is acquired once an individual has been in Chile more than 183 days within any 12-month period. According to article 49 of Chilean Civil Code the accounting of a fact that must be analyzed "within" a certain period, will be accomplished if it is met by midnight of the day before.

Chilean income tax law does not provide for a domicile definition, but according the article 59 of the Chilean Civil Code, domicile requires residency in a place and the intention to remain in it. In accordance, the Chilean Internal Revenue Service (hereinafter "Chilean IRS") has understood that an executive may acquire tax domicile in Chile, when they have moved to Chile with their family group, the individual has purchased or rented a house in Chile; their children attend a school in Chile and the person came to the country/jurisdiction under a Chilean employment contract.

Accordingly, a person will acquire Chilean domicile if the aforementioned requirements are met.

On the other hand, if domicile is not acquired as the person enters the country/jurisdiction, residency test (i.e. 183-day test) should be analysed to determine the executive's tax treatment in Chile.

To summarize, an individual would be considered a tax resident in Chile should they meet the 183- day test or if they acquire Chilean domicile.

Is there a de minimums number of days rule when it comes to residency start and end date? For example, a taxpayer can't come back to the host country/jurisdiction for more than 10 days after their assignment is over and they repatriate.

With regards to the 183-day test, any day (or part day) of physical presence in Chilean territory will have to be considered for this purpose.

What if the assignee enters the country/jurisdiction before their assignment begins?

For the purpose of determining whether an assignee acquires tax residency or not, the 183- day test mentioned above would start from the day the assignee arrives in Chile regardless of whether they are performing working activities in the country/jurisdiction or not. On the other hand, the domicile test is not affected by the fact that the assignee arrives in Chile prior to the start of their international assignment in the country/jurisdiction.

It is a common practice for assignees to start to work in Chile before they sign a local contract, and to receive their salary from abroad. According to the Chilean income tax law, this income is considered as Chilean source income, as it is a professional service performed on Chilean territory. In this case, as there is not a local employer to withhold the employment tax, it is the assignee who has the obligation to withhold the employment tax through a monthly tax return.

2.4 Termination of residence

Are there any tax compliance requirements when leaving the country/jurisdiction?

There are no formal tax compliance requirements to be fulfilled when leaving Chile.

What if the assignee comes back for a trip after residency has terminated?

Any day spent in Chile after the assignment has terminated will have to be taken into account to compute the 183-day test. If the absence is deemed temporary, the period stayed outside of Chile will be also computed as period of residence. Unless the loss of residence or domicile for Chilean tax purposes can be proven.

Communication between immigration and taxation authorities

Do the immigration authorities in Chile provide information to the local taxation authorities regarding when a person enters or leaves Chile?

There is no formal procedure in place however, the tax authorities could request information for the immigration authorities. This is commonly seen during tax audit requests by the Chilean IRS.

Filing requirements

Will an assignee have a filing requirement in the host country/jurisdiction after they leave the country/jurisdiction and repatriate?

There could be a filing obligation in Chile after an assignee leaves the country/jurisdiction. It will depend on the residence status and if the assignee maintains investments within the country/jurisdiction (real estate, shares or interest could have generated income during the year of departure). However, there is no specific exit tax return requirement in Chile.

Furthermore, as some assignees will have the chance to obtain a refund of employment taxes paid during the year. As such, it is advisable to maintain a Chilean bank account open until the year after departure or after all tax return obligations are met.

2.5 Economic employer approach

Do the taxation authorities in Chile adopt the economic employer approach to interpreting Article 15 of the Organisation for Economic Co-operation and Development (OECD) treaty? If no, are the taxation authorities in Chile considering the adoption of this interpretation of economic employer in the future?

The Chilean Tax Authorities have not established a clearly defined position in this regard. OECD criteria might, however, have to be taken into consideration.

De minimums number of days

Are there a de minimums number of days before the local taxation authorities will apply the economic employer approach? If yes, what is the de minimums number of days?

There is no de minimums number of days.

2.6 Types of taxable compensation

What categories are subject to income tax in general situations?

- Base salary
- Benefits-in-kind
  - Cola
  - Housing
  - Education
  - Home leave
- Other expat allowances
- The payment of local or personal income taxes by the employer on the employee's behalf is considered taxable income.

Intra-group statutory directors

Will a non-resident of Chile who, as part of their employment within a group company, is also appointed as a statutory director (i.e. member of the Board of Directors in a group company situated in Chile trigger a personal tax liability in Chile, even though no separate director's fee/remuneration is paid for their duties as a board member).

If there is no payment (in Chile or abroad) regarding the participation of an individual in board of directors, in rigor there is no tax filing in Chile.

- **Will the taxation be triggered irrespective of whether or not the board member is physically present at the board meetings in Chile?**

If there is a payment to the individual regarding the participation in board of directors, there is a tax obligation in Chile for the individual.

- **Will the answer be different if the cost directly or indirectly is charged to/allocated to the company situated in Chile (i.e. as a general management fee where the duties rendered as a board member is included)?**

The tax obligation will be continuing.

- **In the case that a tax liability is triggered, how will the taxable income be determined?**

If the individual is considered a non- resident in Chile, the tax rate applicable for this type of income is 35 percent flat.

2.7 Tax-exempt income

Are there any areas of income that are exempt from taxation in your country/jurisdiction? If so, please provide a general definition of these areas.

- Food Allowances
- Transportation Allowances

- Other allowances deemed necessary for the assignee to be able to perform their working activities (i.e. language training courses, immigration/visa expenses, trip to host country/jurisdiction at the beginning of the assignment, etc.)

2.8 Expatriate concessions

Are there any concessions made for expatriates in your country/jurisdiction?

As a general rule, any person domiciled or resident in Chile is subject to income taxes on a worldwide basis. Individuals who are neither resident nor domiciled in Chile pay taxes only on their Chilean source income.

Foreigners with residence or domicile in Chile will pay taxes only on their Chilean source income during the first 3 years since their arrival to Chile. After this period has elapsed, foreigners will be subject to income taxes on their worldwide income. Chilean legislation establishes that this period might be extended in qualified circumstances, but in practice, this extension is unusual.

2.9 Salary earned from working abroad

Is salary earned from working abroad taxed in Chile? If so, how?

Salary earned from working abroad would be taxable in Chile depending on the residence status of the taxpayer. If a non-Chilean national professional starts to work in Chile, and they have been in the country/jurisdiction less than 3 years, they are only taxable on their Chilean source Income.

Therefore, any salary earned by non-Chilean national taxpayers working abroad is not taxable in Chile for the first 3 years of the assignment. After that time lapses, salary earned abroad is subject to taxes on a worldwide basis.

Chilean nationals residing in Chile are taxed on their worldwide income from day one.

2.10 Taxation of investment income and capital gains

Are investment income and capital gains taxed in your country/jurisdiction? If so, how?

Dividends, interest, and rental income

Dividends, interest and other income from financial instruments is reported by the financial institutions to the Chilean IRS, therefore taxable.

Rental income from real estate must be self-reported by the taxpayer in the annual tax return.

The expenses related to such income, such as interest paid on loans linked to the acquisition of the property, local taxes, depreciation, and so on, are deductible within certain limits.

As a general rule, investment income, such as dividends and interest arising from bank deposits, any gains on sales of shares, and so on, is subject to the Global Complementary Tax, and the tax rate applicable will depend on the total income earned during the calendar year.

Gains from employee stock option exercises

Depending on the characteristics of the stock exercise and the resident status of the assignee, employee stock option exercises could trigger a tax liability. In this line, the Chilean income tax law has established two criteria regarding the taxation of stock option, and this depends if the SOP is incorporate in the employment contract.

Stock Option income taxation can be deferred in cases in which the plan has been agreed upon a Chilean employment contract. Based on this, the taxation point is deferred from exercise to sale. Further advice on this possibility can be provided if required.

Otherwise, if the SOP is not agreed in the employment contract, the taxation is at exercise point.

Foreign exchange gains and losses

Foreign exchange gains that are recurring in nature are subject to a withholding tax rate of 10 percent. Then this tax withheld can be used as a credit against the Global Complementary Tax in the annual income tax return.

Principal residence gains and losses

Gains are taxable if the property was held less than 1 year. In addition, the authorities have established an exempt profit threshold of 8.000 UF (approximately 300.000 USD). Such threshold is for the taxpayer lifetime and once it is surpassed, any gain on the sale of property will become taxable.

Capital losses

Capital losses can be used as deductions from the same type of income in the annual tax return (Global Complementary Tax).

Gifts

Gifts are subject to inheritance tax.

Foreign property reporting

Non-Chilean nationals would have to report income related to property they have abroad, only if they surpass 3 years of residence in the country/jurisdiction. This income has to be declared through the Sworn Statement 1929 and then included in the annual income tax return.

2.11 General deductions from income

What are the general deductions from income allowed in your country/jurisdiction?

There are a few deductions from income allowed by the Chilean income tax law, many of them are related to savings and voluntary contributions made to social security. Furthermore, the interests paid related to mortgage loans can be used as deductions if some conditions are met and if the income cap is not exceeded.

2.12 Calculation of estimates/prepayments/withholding

How are estimates/prepayments/withholding of tax handled in your country/jurisdiction? For example, Pay-As-You-Earn (PAYE), Pay-As-You-Go (PAYG), and so on.

Tax withholdings are due on a monthly basis for both, resident and non-resident taxpayers.

2.13 Relief for foreign taxes

Is there any Relief for Foreign Taxes in your country/jurisdiction? For example, a foreign tax credit (FTC) system, double taxation treaties, and so on?

Chile has Double Taxation Treaties with a number of different countries/jurisdictions. Thus when a treaty is currently in force between Chile and another country/jurisdiction, a foreign tax credit may be applicable.

In order to obtain a relief for taxes paid abroad, the taxpayer must report the income, and the taxes effectively paid abroad through the Sworn Statement 1929 and then include this in the annual tax return.

Furthermore, according to the Chilean tax law, individuals considered tax residents in Chile that are subject to taxes abroad, can claim an FTC (of employment income) regardless that Chile does not have a double tax treaty with other country.

2.14 General tax credits

What are the general tax credits that may be claimed in your country/jurisdiction? Please list below.

There is a list of credits that may be claimed against the taxpayer's tax liability, as follows:

- Donations
- Educational expenses
- Foreign income tax credits

2.15 Sample tax calculation

This calculation assumes a foreign taxpayer resident in Chile whose 3-year assignment begins 1 January 2020 and ends 31 December 2022. The taxpayer's base salary is 100,000 US dollars (USD).

	2020 USD	2021 USD	2022 USD
Salary	100,000	100,000	100,000
Bonus	20,000	20,000	20,000
Cost-of-living allowance	10,000	10,000	10,000
Housing allowance	12,000	12,000	12,000
Company car	6,000	6,000	6,000
Moving expense reimbursement	8,000	0	8,000
Home leave	5,000	5,000	5,000
Educational allowance	3,000	3,000	3,000

Exchange rate used for calculation: USD1.00 = CLP900.

2.16 Other assumptions

Non-Chilean National

Calculation of taxable income

Year-ended	2020* USD	2021* USD	2022* USD
Days in Chile during year	**365**	**365**	**365**
Earned income subject to income tax			
Salary	100,000	100,000	100,000
Bonus	20,000	20,000	20,000
Cost-of-living allowance	10,000	10,000	10,000

Year-ended	2020* USD	2021* USD	2022* USD
Days in Chile during year	**365**	**365**	**365**
Housing allowance	12,000	12,000	12,000
Company car	6,000	6,000	6,000
Moving expense reimbursement	8,000	0	8,000
Home leave	5,000	5,000	5,000
Education allowance	3,000	3,000	3,000
Total earned income	164,000	156,000	164,000
Investment income	6,000	6,000	6,000
Total income	170,000	162,000	170,000
Deductions	0	0	0
Total taxable income	170,000	162,000	170,000

Calculation of tax liability

	2020	2021	2022
Taxable income as above	170,000	162,000	170,000
Income tax	59.500	56.700	59.500
Less:	15,867	16,844	19,016
Total income tax	43,633	39,856	40,484

03

Special considerations for short term assignments

3 Special considerations for short-term assignments

For the purposes of this publication, a short-term assignment is defined as an assignment that lasts for less than 1 year.

3.1 Residency rules

Are there special residency considerations for short-term assignments?

As a general rule, if as a consequence of the short-term assignment the individual remains in Chile for less than 183 days during the calendar year, they will be regarded as a non-resident in Chile. If they remain more than 183 days in Chile during the calendar year, they will be regarded as a tax resident. Also, Chile currently has Agreements in force for the Avoidance of Double Taxation with a number of different countries/jurisdictions.

3.2 Payroll considerations

Are there special payroll considerations for short-term assignments?

In case there was a tax liability resulting for the short-term assignee, potential withholding tax obligations might apply.

3.3 Taxable income

What income will be taxed during short-term assignments?

Taxation of income received during a short term assignment by a taxpayer with non-resident status will be limited to Chilean source income obtained during the assignment (the eventual applicability of Tax Treaty provisions will have to be taken into consideration).

3.4 Additional considerations

Are there any additional considerations that should be considered before initiating a short- term assignment in your country/jurisdiction?

The charge of the cost of the assignee to the local company needs to be considered and also the eventual applicability of Tax Treaty provisions. The taxability of an assignee in Chile is independent from their immigration status. That is, taxpayers are assessable on their income regardless of their migratory status.

04

Other taxes and levies

4 Other taxes and levies

4.1 Social security tax

Are there social security/social insurance taxes in your country/jurisdiction? If so, what are the rates for employers and employees?

Type of insurance	Paid by employer	Paid by employee	Total
Pension Plan	0,1%	10,46 – 11,45%	10,56 – 11,55%
Unemployment Insurance	2.4%	0.6%	3%
Health Plan	0%	7%	7%
Occupational accidents	0,93%	0%	0,93%
Total	**3,3%**	**18.6-19.05%**	**21.49 – 22.48%**

Pension Plan

Pension

In the case that the assignee does not meet the requisites of Law 18.156 or there is no totalization agreement in place, the assignee will have to contribute to the Chilean social security system. As a general rule employees working in Chile are subject to the payment of social security contributions, which are deducted from their gross salary with certain caps.

These contributions must be withheld by the employer and are paid as follows: Pension fund administrator:

- 10 percent + management fee from 0.46 percent to 1.45 percent.

Public Health Institution:

- 7 percent.

All of these percentages are calculated over the gross salary with a cap of 90 Development Units per month (approximately CLP 3.695.148). Such mentioned cap of 90 UF is adjusted annually considering the variation of the real wage rate determined by the National Institute of Statistics.

In certain circumstances, a foreigner who decides to leave the country/jurisdiction may seek reimbursement of funds provided under point i), except management fees.

It should also be noted that AFP may request the respective new or different background information in order to comply with Law No. 18.156, authorizing the waiver or refund of the funds provided.

Finally, it is important to consider that the withdrawal of the compulsory contributions and agreed deposits is affected to the Second Category Tax (Art. 42 No.1 and 43 No. 1 of the Income Tax Law), and the return of the Voluntary Pension Funds Savings Account B is subject to the taxation of Article 42 of the Income Tax Law, so the AFP must withhold the corresponding withholding income tax.

Unemployment insurance

According to Law No. 19.728, on unemployment insurance, employers and employees will be obliged to make contributions for unemployment insurance, even when qualifying for the exemption under the Act discussed above 18.156.

The aforementioned unemployment insurance will be financed with the following allowances:

- 0.6 percent of taxable wages, paid by the employee (with cap of 135,2 UF, approximately CLP 5.550.933as of September 2026.
- 2.4 percent of taxable wages (with cap of 135,2 UF), at the employer's cost.

Contribution of the Government, whose amount is determined according to the rules established by law.

The funds corresponding to the contributions of employees and employers should be deposited in the management company within the first 10 days following the month the compensation is paid.

In case that the employment contract is terminated, and to the extent that certain requirements are met, you may be entitled to withdraw the contributions made to the unemployment insurance. It should be mentioned that a foreign employee who decides to leave the country/jurisdiction, deciding to use this insurance, will be charged in the same way that a Chilean resident.

Finally, the employer must pay certain amounts for insurance of occupational accidents and occupational diseases, which correspond to 0.93 percent calculated on the monthly salary of the executive with a cap of 90 UF per month, approximately CLP 3.695.148. Additionally, the employer must contribute 2 percent for insurance of survival and disability in the worker's AFP, calculated also upon the same cap of 90 UF.

Additional considerations

In certain circumstances, a foreigner who decides to leave the country/jurisdiction may seek reimbursement of part of the social security contributions made during their assignment. This reimbursement would not have any penalty associated with it; however it will need to pay applicable income taxes upon distribution.

[Text placeholder]

4.2 Gift, wealth, estate, and/or inheritance tax

Are there any gift, wealth, estate, and/or inheritance taxes in your country/jurisdiction?

- Inheritance Tax: The inheritance tax in Chile applies from 1 percent to 25 percent depending on the amount. There are deductions applicable, but some conditions must be met.

- Wealth: Not applicable.

4.3 Real estate tax

Are there real estate taxes in your country/jurisdiction?

There is a local tax levied on Chilean property charged annually by the municipality where the property is registered. The amount of the tax is calculated by reference to the cadastral value.

4.4 Sales/VAT tax

Are there sales and/or value-added taxes in Chile?

Impuesto al Valor Agregado (IVA) or Value-added Tax. This tax is the main tax for the consumption of goods and services in Chile. It has a general tax rate of 19 percent.

A new tax is created for individual taxpayers (regardless of Chilean tax residency) who own real estate property located in Chile exceeding CLP 667.825.656 (approx. USD 742,000). For purposes of the threshold, the value of the property is based on the tax-assessed value determined by the Tax Authorities. The tax will be applied based on three tax brackets that vary from:

- 0.075 percent for those real estate properties with a tax assessed value between CLP 667 million to CLP 1.170 million (approx. USD 742,000 to USD 1,170,000)

- 0.15 percent for real estate property with a tax assessed value between CLP 1.450 million and CLP 1.863 million (approx. USD 1,301,000 to USD 1,671,000); and

- a final tax bracket of 0.425 percent for those real estate properties with a tax assessed value over CLP 1.504 million (approx. USD 1,671,000).

This tax has been added to the ordinary real estate tax that is payable on a quarterly basis and applies since January 1, 2020 on. This tax is added to the ordinary real estate tax that is payable on a quarterly basis and applies from January 1, 2020 on.

4.5 Unemployment tax

Are there sales and/or value-added taxes in Chile?

Unemployment income is paid monthly and is not subject to taxes or social security deductions. (Law 19.728).

4.6 Other taxes

Are there additional taxes in your country/jurisdiction that may be relevant to the general assignee? For example, customs tax, excise tax, stamp tax, and so on.

The stamp tax applies for documents or act involved in money credit operation, for example provisory notes and bills of exchange.

The tax base is the amount granted in the document. The tax rate varies depending on the period of time between the document issue and its expiration, and it applies from 0.033 percent to 0.4 percent.

4.7 Foreign Financial Assets

Is there a requirement to declare/report offshore assets (e.g. foreign financial accounts, securities) to the country/jurisdiction's fiscal or banking authorities?

Yes, for those foreign individuals residents in Chile with more than of 3 years of residence in the country/jurisdiction are obligated to submit the Sworn Statement 1929 in order to report foreign investments and the corresponding incomes generated abroad. This obligation includes to Chilean individuals considered residents in Chile.

05
Immigration

5 Immigration

Following is an overview of the concept of Chile's immigration system for skilled labor.

Foreign nationals who need to work and live in Chile for an extended period are required to obtain the respective temporary residence permit which allows them to reside and work in the country.

Currently, almost all types of temporary residence permit must be applied abroad, with few exceptions that allow a non-Chilean national to submit the application from Chile. All residence permit applications will be processed by the National Immigration Services of Chile with the support of the Chilean Consulate located at the applicant's home or residence country, for specific procedures, as legalization and review of documents, applicant's interview and assistance with the download of the Electronic Stamp of the Residence Permit.

Eligibility for residence permits will depend on the characteristics of the specific case and requirements may vary depending on the residence permit type. Eligibility for a Permanent Residence benefit in Chile varies depending on the type of residence permit a main holder already has, period of residence in Chile and period of absence from the country.

All types of temporary residence permit can be renewed as long as their holders comply with the legal requirements.

For short term assignments (up to 180 days) a special work permit for tourists can be requested abroad or in country.

5.1 International Business Travel/Short-Term Assignments

Describe (a) which nationalities may enter Chile as non-visa national, (b) which activities they may perform and (c) the maximum length of stay.

Short-term business visitors are authorized to enter Chile with a tourist status, without the need of requesting a tourist visa. These include foreign nationals of those countries with which Chile has diplomatic relations and has signed reciprocity international agreements. These foreign nationals are authorized to remain in Chile for a maximum of 90 days (renewable), being able to perform recreational activities, sports, medical treatments, studies, business (Business Visitor), family visits or similar. Alternatively, the following list of countries/jurisdictions currently do require a tourist visa to enter Chile:

Afghanistan	Algeria	Angola
Armenia	Australia	Azerbaijan
Bahrain	Bangladesh	Belarus
Benin	Bhutan	Botswana
Brunei	Burkina Faso	Burma
Burundi	Cambodia	Cameroon
Cape Verde	Central African Republic	Chad
China	Diplomatics, stateless or exiled individuals and refugees	Comoros
Congo Brazzaville	Egypt	Cuba

Congo Kinshasa	Ethiopia	Dominica (Commonwealth of)
Dominican Republic	Gabon	Djibouti
Equatorial Guinea	Eritrea	Eswatini
Falkland Islands	Faroes, The	
Gambia	Ghana	Greenland
Guernsey	Guinea	Guinea Bissau
Haiti		India
Iran	Iraq	Isle of Man
	Ivory Coast	Jersey
Jordan	Kazakhstan	Kenya
Kiribati	Korea DPR (North Korea)	Kosovo (not fully recognized)
Kuwait	Kyrgyzstan	Laos
Lebanon	Lesotho	Liberia
Libya	Madagascar	Malawi
Maldives	Mali	Marshall Islands
Mauritania	Micronesia	Mianmar
Morocco	Mozambique	Namibia
Nauru	Nepal	Niger
Nigeria	Norfolk Island	Northern Mariana Islands
Oman	Pakistan	Palau
Papua New Guinea	Philippines	Henderson, Ducie & Oeno Islands
Palestine		
Puerto Rico	Qatar	Rwanda
Samoa	Sao Tome and Principe	Saudi Arabia
Senegal	Seychelles	Sierra Leone
Solomon Islands	Somalia	South Georgia & Sandwich Islands
South Sudan	Sri Lanka	
Sudan		Swaziland
Syria	Tajikistan	Tanzania
Togo	Tunisia	Turkmenistan
Timor-Leste	Tuvalu	Uganda
Uzbekistan	Vanuatu	Venezuela
Yemen	Zambia	Zimbabwe

Describe (a) the regulatory framework for business traveler being visa nationals (especially the applicable visa type), (b) which activities they may perform under this visa type and the (c) maximum length of stay.

For those individuals who need to travel to Chile as a Business Traveller, and who are nationals of any of those countries/jurisdictions that require to process a visa before entering the country, it is mandatory to obtain a tourist visa which must be processed with the Chilean Consulate of the applicant's country/jurisdiction of residence.

On the majority of cases, this visa authorizes the individual to remain in Chile for a maximum of 90 days (renewable) and in order to conduct **any type of work or licit activity in Chile**, receiving any type of compensation, remuneration, salary, etc. either locally (in Chile) or abroad must obtain a Special Work Permit for Tourists (SWPT) that can be processed before traveling to Chile or upon arrival with the immigration authorities. Processing times may vary between 1 to 5 business days. The SWPT will be valid for the requested time and cannot exceed the validity of the tourist permit. Its validity can also be renewed while the tourist status remains valid.

Outline the process for obtaining the visa type(s) named above and describe (a) the required documents (including any legalization or translation requirements), (b) process steps, (c) processing time and (d) location of application.

The tourist visa application must be processed by the Chilean Consulate located in the applicant's country/jurisdiction of residence. Please, find the detail of the stages of the same below:

- Document gathering stage: required documentation may vary depending on the Consulate's jurisdiction. However, generally required documentation is the following:
  - Visa Application electronic form.
  - Valid Passport (valid at least for 6 months).
  - Personal photo, passport type, digital format.
  - Police Clearance Certificate apostilled or legalized from the home country.
  - Police Clearance Certificate apostilled or legalized from the all the country the individual has been living in the past 5 years.
  - Support letter from a sponsor Company in Chile.
  - Proof of economic solvency.
  - Flight reservation.
  - Hotel reservation.
- Filing of the application. Should be submitted through an electronic system.
- Processing times vary depending on the Consulate's workload. On normal situations, Chilean immigration authorities may take approximately between 1 to 3 months to complete the process.
- Visa approval: once the visa is approved, the applicant has 90 days to stamp the visa and travel to Chile.

2. **Multiple Entry Business Permit**: the Multiple Entry Business Permit application must be processed by the National Immigration Service of Chile. Please, find the detail of the stages of the same below:

- Document gathering stage:
  - Valid Passport (valid at least for 1 year).
  - Police Clearance Certificate apostilled or legalized from the home country.
  - Police Clearance Certificate apostilled or legalized from the all the country the individual has been living in the past 5 years.

- Support letter from a Company in Chile.
- Support letter from the home Company.

- Filing of the application. Should be submitted through an electronic system.
- Processing times vary depending on the authority's workload. On normal situations, Chilean immigration authorities may take approximately between 5 to 8 months to complete the process.
- Visa approval: once the visa is approved, the applicant has 120 days to download the electronic stamp of the visa and additional 90 days travel to Chile. The visa will be activated once the individual enters the country.
- Last stage: once the visa is activated, individuals must request the Chilean ID Card with the Civil Registry in Chile.

Are there any visa waiver programs or specific visa categories for technical support staff on short-term assignments?

No.

5.2 Long-Term Assignments

What are the main work permit categories for long-term assignments to Chile? In this context outline whether a local employment contract is required for the specific permit type.

The main types of residence permit that can be requested in order to authorize a foreign national to develop a long-term activity in Chile are the following:

Permit for non-Chilean nationals who perform remunerated activities: This Permit is aimed for those non-Chilean nationals who intend to live in Chile and perform remunerated activities under a labour relationship with a Chilean company. Moreover, this permit can only be applied from abroad. The end of the labour relationship that originally grounded this permit, will not result in the revocation of this residence permit, which allows to work with different employers without notifying the National Immigration Service.

Permit for individuals covered by international agreements: This Permit is intended for nationals or residents, as applicable, of those State parties of international agreements signed by Chile which are currently in force by the time of filing the application. This Permit may be applied from Chile or abroad.

Permit for investors and related personnel: This Permit is intended for non-Chilean nationals, legal representatives and individuals who exercise management functions or senior management in a foreign company who are seeking to invest in Chile for an amount equal to or greater than USD 500,000 every time that this investment aims the production of good and services. This Permit it is also intended for those non-Chilean nationals who perform management functions or senior management and the technical assistance experts, hired under a labour relation or to provide services to a company established in Chile which equity or assets is controlled directly or indirectly by a foreign investor who owns at least the 10% of voting rights or an equivalent participation in the capital stock in case of non-joint stock companies. This Permit can only be applied from abroad and will require, among others, a supporting letter from the Foreign Investment Promotion Government Agency (InvestChile).

Family Reunification Permit: intended for those non-Chilean nationals who have family ties with a Chilean or a non-Chilean national who currently has a permanent residence permit. This Permit may be applied from Chile or abroad and allows to perform remunerated activities in Chile.

Permit for Dependents: intended for those non-Chilean nationals who have family ties with a non-Chilean national who is applying for temporary residence permit or currently has a valid one. This Permit may only be applied abroad and allows to perform remunerated activities in Chile.

Multiple entry business Permit: This Permit is intended for those non-Chilean nationals who will conduct executive or directive activities related to business or investments that companies maintain in Chile and must travel to the country on a regular basis. Regardless of the validity of this Permit, the total length of stay of the non-Chilean national may not exceed six (6) months in each calendar year. This Permit can only be applied from abroad.

Provide a general process overview to obtain a work and residence permit for long- term assignments (including processing times and maximum validation of the permit).

Almost all types of temporary residence permit must be applied abroad, with few exceptions that allow a non-Chilean national to submit the residence permit application from Chile. All residence permit applications will be processed by the National Immigration Services of Chile with the support of the Chilean Consulate located at the applicant's home or residence country, for specific procedures, as legalization and review of documents, applicant's interview and assistance with the download of the Electronic Stamp of the Residence Permit.

- Process applied abroad:
  - Applicants must be abroad, in their home or residence country.
  - Before filing the residence permit application, applicants must legalize required documents with the Chilean Consulate located in their home or residence country.
  - Temporary Residence Permit applications must be submitted throughout the digital process platform of the National Immigration Service, uploading all required information.
  - The National Immigration Service may take 7 to 10 months to approve the residence permit application. This processing time may vary due to the authority's workload.
  - After approval, applicant may download the Electronic Stamp of the Residence Permit within 120 days and will have 90 days to enter Chile after that in order to activate the validity of the residence permit.
  - Once in Chile, foreigner must request the ID Card in 30 days.
- Process applied in country (only for qualified cases):
  - The applicant must be physically in Chile with a tourist immigration status.
  - Temporary Residence Permit applications must be submitted throughout the digital process platform of the National Immigration Service, uploading all required information.
  - Authorities may take between 4 to 7 months after submitting the application to begin the analysis stage, issuing a proof of visa in progress certificate and a special work permit.*
  - Approval may take between 7 to 10 months.
  - After approval, the applicant must complete the final steps of the process: electronic visa stamp activation and obtaining the Chilean ID card with the Civil Registry.

***Due to the new Immigration Law, the National Immigration Service must issue the Proof of Visa in Progress (document that certifies the legal status of the applicants and allow them to work while waiting for the decision of their residence permit application) immediately, after the residence permit application is submitted. However, the National Immigration Service has not implemented this yet.**

Is there a minimum salary requirement to obtain a long-term work and residence permit for assignments? Can allowances be taken into account for the salary?

Yes, Chilean law determines a minimum monthly salary for all workers (currently, approximately USD 450,00). Additionally, for immigration purposes, the salary paid to the applicant should be in accordance with the average salary paid in the local market for the type of work that the applicant will perform in Chile. Allowances are not considered part of the salary.

Is there a fast-track process which could expedite the visa/ work permit?

The **Permit for investors and related personnel** has a fast-track process that allows an individual to obtain this type of permit in 1 month (or less) after submitting the visa application.

Nonetheless, before submitting the application of this type of permit, Company or investors must present all details and information regarding the investment in Chile for review of the Foreign Investment Promotion Government Agency (InvestChile), in order to obtain a sponsor letter from this Government Agency. This can take more than 2 months, depending on the difficulty of obtaining the required information and the workload of the agency.

Additionally, we actively engage with InvestChile, which promotes international investment and has an alliance with the National Immigration Service. This collaboration offers benefits for foreign Companies or Chilean Companies with foreign investments, such as faster processing times for VIP cases, expedite visa processes that have more than 3 months of processing, and effective problem resolution.

At what stage is the employee permitted to start working when applying for a long-term work and residence permit (assignees/ local hire)?

If the applicant submitted the visa application in country, they will be authorized to work in Chile once the immigration authority begins the analysis stage, between 4 to 7 months after the submission date; by which time, the authorities will issue a Proof of Visa in Progress Certificate, authorizing the applicant to work while the application is in progress. Notwithstanding the above, it is common practice to simultaneously apply for a Special Work Permit for Tourists, which provides a transitory work permit, thus allowing the visa applicant to work with a tourist status during the initial period while the authority issues the respective work permit with a proof of visa in progress certificate.

If the applicant submitted the visa application abroad, they will be authorized to work in Chile once the residence permit is approved and they have entered Chile with the electronic stamp of their permit, even while the final registration stages of the process are pending completion. While this type of visa is in process, and depending on the need of the Company, assignees can enter Chile as a tourist after the visa application is submitted and apply for a Special Work Permit for Tourists that will allow them to work lawfully for 90 days, renewable for the same period. In this period, Company can also register assignees to the local payroll through a Provisional Tax ID.

Can a short-term permit/ business visa be transferred to a long-term permit in Chile?

Currently, it is only possible in qualified cases which individuals located in Chile with a tourist status are allowed to apply for a temporary residence permit with the National Immigration Service, as the Family Reunification Permit, Permit for individuals covered by international agreements and Humanitarian residence Permit.

Is it possible to renew work and residence permits?

All temporary residence permit can be renewed as long as the foreigner resident comply with the requirements for the renewal of their residence permits and can prove their economic capacity to keep living in the country.

Is there a quota or system or a labor market test in place?

There is a maximum quota of foreign employees that can be hired by a Chilean Company, equivalent to a 15 percent of the total work force if the number of employees working for that company is higher than 25:

- The calculation is based on the total number of employees that provides services to the company at a national level, considering the total number of branches existing in the country/jurisdiction.
- The following are excluded from this calculation:
  - Technical specialists.
  - Foreign national employees married with, in a common-law relation with, parents of or widowers of a Chilean national.
  - Foreign national employees residing in Chile for more than 5 uninterrupted years. The legislation makes no distinction as to the kind of visa that the employee must have.

5.3 General Immigration Related Questions

Would it be possible to bring family members to Chile?

Yes, proof of economic solvency, a sworn expenses declaration and the respective translated and apostilled/legalized valid birth/marriage/common-law relationship certificate for the following dependents is required:

- Spouse or Common-Law Partner
- Parents (only for Temporary Residence Permit for Family Reunification).
- Children

Is it possible to obtain a permanent residence permit?

Yes, almost all temporary residence permits allow their main holders and dependents to request a permanent residence, since they meet the following requirements:

- The main applicant of a Permanent Residence must have resided in Chile for at least 24 months with a valid temporary residence permit. Dependents can also apply if the main holder meets with this requirement.
- Main applicant must prove economic solvency and job stability.
- Main applicant must also comply with the period of absence from the country to apply for Permanent Residence:
  - For those who have at least 24 months of Temporary Residence, they cannot exceed 2 months of absence from the country, continuous or discontinuous.
  - For those who have at least 30 months of Temporary Residence, they cannot exceed 6 months of absence from the country, continuous or discontinuous.
  - For those with at least 36 months of temporary residence, they cannot exceed 12 months of absence from the country, continuous or discontinuous.
  - For those with at least 48 months of temporary residence, they may not exceed 12 months of absence from the country, continuous or discontinuous, however, the regulation does not specify a limit of months of absence.

What if circumstances change after the Work and Residence application process (e.g. change of employment or personal situation, including job title, job role or salary)?

To determine the steps to follow in an immigration process in which circumstances have changed, it is necessary to differentiate between the type of residence permit that is being requested or that the foreign national already holds:

- If the circumstance invalidates, revokes or terminates the main requirement/reason for the obtention of the first residence permit (e.g. termination of the work contract) the process may be cancelled by the immigration authority.
- If the circumstance changes an employment (e.g. job title, job role or salary) or personal situation (e.g. home address, marital status), it will not result in any interruption or delay in the analysis of the application.
- Approved and activated temporary residence permit: there is no impact. Residence Permit will remain valid, and individual will be allowed to keep living and working (if the permit allows to) in Chile during its validity and can renew it as long as individual meet the requirements for the renewal application.

How long can a permit holder leave Chile without their permit becoming invalid?

Individuals that hold a temporary residence permit may depart from Chile as many times as necessary without affecting their residence permit. However, this may impact on the possibility to request a Permanent Residence due to the absence period limitation. Individuals that hold a permanent residence cannot remain outside the country for 2 consecutive years. Alternatively, they can request a yearly extension of this period with the Chilean consulate of their place of residence. This request can be made once. Otherwise, the individual will lose residence in Chile and must begin a new immigration process.

Must immigration permissions be cancelled by the end of the assignment/employment?

It is not required to cancel work and residence permits with the immigration authorities.

Are there any penalties for individuals and/or companies in place for non-compliance with immigration law?

Penalties may apply for those individuals who perform work activities without authorization; for individuals who extend their stay in the country after their tourist visa/residency permit has expired and for those individuals who do not carry out the stages of their processes within the established deadlines. Employers may also suffer penalties for noncompliance (hiring foreign nationals with no work authorization). The applicable penalties are as follows:

- Formal Warning: written formal warning that applies only if the individual is not a repeat offender.
- Fine: monetary penalty that applies to repeat offenders.
- Expulsion from the country: deportation to the individual's home country.
- Entrance prohibition for at least 3 years.

5.4 Other Important Items

The main challenges that can be faced when conducting an immigration process may be the following:

- Extension of the process timelines: Due to a large number of applications currently under process, the changes recently introduced to the system and pandemic situation, the immigration authorities have extended their analysis timelines resulting in delays in the issuance of documents and approval of applications which directly impact the applicants. This affects their travel plans outside of Chile, causes hiring delays, etc.
- Changes in the requirements for processing applications by the immigration authority: different criteria for processing a type of residence permit may apply depending on the policy of the National Immigration Service. This implies a low level of certainty regarding the steps and management of an immigration process.

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