

## COUNTRY GUIDE

# CHILE

From ancient glaciers to snow-white salt plains, to the driest desert on the planet, and a multitude of forests, lakes, and active volcanoes, Chile boasts an incredibly diverse natural terrain. Through a lengthy battle with Spain, Chile gained its independence in 1818. Chile's tumultuous political history includes a military coup in 1973 led by Augusto Pinochet. He remained in power until a democratically-elected president was inaugurated in 1990. Since then, Chile has increasingly assumed regional and international leadership roles through its market-oriented economy, its reputation for strong financial institutions, and sound policy. Today, Chile is considered a South American leader in terms of competitiveness, trade expertise, innovation and technology, economic freedom, and transparency.



### A SOUTH AMERICAN LEADER

Chile is one of the most prosperous countries in the Latin American region due to its open market policies, business practices, low corruption, and its relatively stable economic and political environment. In 2010, Chile became a member of the OECD, the first South American country to do so.

### OPENNESS TO GLOBAL TRADE

Chile has deepened its longstanding commitment to its internationalization through the signing of multiple free trade agreements with countries around the world. Some of the more prominent include: Mercosur, the Pacific Alliance, and the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP).

### INVESTMENT CLIMATE

The country has made great strides in developing a highly functioning and business-friendly environment in order to attract foreign investment. From investment and fiduciary incentives to the infrastructure to get a business operating, Chile is considered one of the easiest places to do business in South America.

### DYNAMIC ECONOMY

In addition to its more traditional industries like mining and agriculture, the country has implemented green business initiatives to incentivize innovation in clean energy and lead the fight against climate change in the region.

### QUALIFIED LABOR FORCE

Chile has one of the most highly skilled labor forces in the region. Additionally, its government recently launched a talent acquisition program to attract highly skilled tech professionals and those with specialized knowledge for the global services sector from overseas.



### Geography

**Location:** Chile is a country located on the southwestern end of South America. It borders the South Pacific Ocean to the west, Argentina to the east and Peru and Bolivia to the north and northeast.



**Area:** 756,102 sq km

**Time zone:** Chilean Standard Time (GMT-3)



### Population

18,186,770 (July 2020 est.)



### Language(s)

Spanish



### Economy

Main industries include: Mining, Food production, Fish processing, Wood and wood products, Transport equipment, Cement production, and Textiles.



### Capital City

Santiago



### Currency

Chilean Peso (CLP)



### Political structure

Presidential Republic



### Legal system

Civil law system influenced by western European civil legal systems

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# Main Types of Legal Entities

	LIMITED LIABILITY COMPANY (SOCIEDAD DE RESPONSABILIDAD LIMITADA OR SRL)	CORPORATION (SOCIEDAD ANÓNIMA OR S.A.)	SIMPLIFIED CORPORATION (SOCIEDAD POR ACCIONES OR SPA)	BRANCH OF A FOREIGN LEGAL ENTITY (SUCURSAL)
<b>Share capital</b>				
<b>Minimum paid-up</b>	No minimum requirement	No minimum requirement, except for certain special corporations	No minimum requirement, except for certain special corporations	No minimum requirement
<b>Maximum authorized</b>	No requirement	No requirement	No requirement	No requirement
<b>Usual currency</b>	Chilean Peso (CLP)	Chilean Peso (CLP)	Chilean Peso (CLP)	Chilean Peso (CLP)
<b>Permitted currencies</b>	No restrictions	No restrictions	No restrictions	N/A
<b>Domiciliation</b>				
<b>Registered address</b>	Required	Required	Required	Required
<b>Directors</b>				
<b>Minimum number</b>	One	Three	Three	One
<b>Minimum local</b>	Not required	Not required	Not required	Not required
<b>Corporate directors</b>	Allowed	Allowed	Allowed	Allowed
<b>Statutory</b>				
<b>Annual filing</b>	Required	Required	Required	Required
<b>Company secretary</b>	Not applicable, but the company must have a registered agent that is a local resident.	Not applicable, but the company must have a registered agent that is a local resident.	Not applicable, but the company must have a registered agent that is a local resident.	Not applicable, but the company must have a registered agent that is a local resident.
<b>Annual general meeting (AGM)</b>	As established by the company bylaws	As established by the company bylaws	As established by the company bylaws	Not required
<b>Beneficial owner reporting</b>	Required	Required (details available publicly for public corporations)	Required (details available publicly for public corporations)	Required
<b>Re-domiciliation</b>	Allowed	Allowed	Allowed	N/A
<b>Financial administration</b>				
<b>Audit required</b>	Not required	Required	Required	Not required
<b>Filing of annual return</b>	Must be filed monthly and annually. Partners/ Members file annually.	Must be filed monthly and annually. Shareholders file annually.	Must be filed monthly and annually. Shareholders file annually.	Must be filed monthly and annually. Parent company must file annually.
<b>Tax</b>				
<b>Tax rates</b>	25-27% depending on income system company falls under	25-27% depending on income system company falls under	25-27% depending on income system company falls under	25-27% depending on income system company falls under
<b>VAT</b>	19%	19%	19%	19%
<b>Tax treaties</b>	Negotiated with 30+ countries	Negotiated with 30+ countries	Negotiated with 30+ countries	N/A
<b>Other taxes</b>	Customs duties, Excise tax, Real Estate tax, Transfer tax, Stamp tax, Payroll tax, Social Security contributions, etc.	Customs duties, Excise tax, Real Estate tax, Transfer tax, Stamp tax, Payroll tax, Social Security contributions, etc.	Customs duties, Excise tax, Real Estate tax, Transfer tax, Stamp tax, Payroll tax, Social Security contributions, etc.	Customs duties, Excise tax, Real Estate tax, Transfer tax, Stamp tax, Payroll tax, Social Security contributions, etc.

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<b>Government fees</b>				
<b>Registry fee</b>	\$2000-5000	\$2000-5000	\$2000-5000	\$2000-5000
<b>License fee</b>	Only required for certain industries	Only required for certain industries	Only required for certain industries	Only required for certain industries
<b>Incorporation process</b>				
<b>Summary</b>	<ul style="list-style-type: none"> <li>➤ Articles of association</li> <li>➤ Company name reservation</li> <li>➤ Details of company activity</li> <li>➤ Director details</li> <li>➤ Shareholder details</li> <li>➤ Registered Address and Agent</li> <li>➤ Bank account</li> <li>➤ Tax ID</li> </ul>	<ul style="list-style-type: none"> <li>➤ Articles of association</li> <li>➤ Company name reservation</li> <li>➤ Details of company activity</li> <li>➤ Director details</li> <li>➤ Shareholder details</li> <li>➤ Registered Address and Agent</li> <li>➤ Bank account</li> <li>➤ Tax ID</li> </ul>	<ul style="list-style-type: none"> <li>➤ Articles of association</li> <li>➤ Company name reservation</li> <li>➤ Details of company activity</li> <li>➤ Director details</li> <li>➤ Shareholder details</li> <li>➤ Registered Address and Agent</li> <li>➤ Bank account</li> <li>➤ Tax ID</li> </ul>	<ul style="list-style-type: none"> <li>➤ Appointment of legal representative/registered agent, including power of attorney</li> <li>➤ Registered address</li> <li>➤ Parent company articles of association and bylaws</li> <li>➤ Parent company certificate of good standing</li> <li>➤ Company name reservation</li> <li>➤ Director and shareholder details</li> <li>➤ Tax ID</li> </ul>
<b>Time</b>	Approximately 5-15 days	Approximately 5-15 days	Approximately 5-15 days	Approximately 5-15 days
<b>Other</b>				
<b>Are shelf corporations available?</b>	No	No	No	N/A

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# CT Service Offerings – Chile



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  - Certificate of Good Standing (or equivalent)
  - Health check services
  - Liens/charges
  - Litigation
  - Bankruptcy
- Document retrieval
  - Articles of Incorporation
  - Memorandum of Association
  - Chamber of Commerce Extract
- Authentication & legalizations
- Board changes
- Company searches
- Incorporations
- Liquidation of entities
- Process agent appointments
- Translation services
- Global Entity Management

## Corporate Secretarial Services

- Annual compliance
  - Statutory filings
  - Annual board resolution drafting
  - Corporate minute book management
- Domiciliation/Registered Address
- Director Services and Legal Representation

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To learn more about how CT can help you better manage your global compliance needs, contact a CT representative at 855.444.5358 (toll-free U.S.).

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