

Business Taxation in Argentina



Estudio CDC has created this document, which is a general guide of taxes in Argentina. Please contact our professionals for specific advisory.

- General aspects

Business taxation in Argentina are mainly divided in the following levels:

National: Income Tax, VAT, Wealth Tax, Banking Tax and Payroll Tax.

Provincial: Revenue Tax and Stamp Tax.

Entities	
Principal forms of doing business	Corporation (SA), Limited liability Company (SRL) and Branches of foreign entities
Income Tax for residents	
Corporation (SA) tax rate	35%
Limited Liability Company (SRL) tax rate	35%
Branches of foreign entities tax rate	35%
Tax on Assets	Companies with NOL position have to paid Tax on Assets at a rate of 1%
Taxable income	Revenues from sale of goods, services, exports, financial earnings, capital gains, sale of shares, among others, on a worldwide basis
Deductions	Cost of sales, interest, royalties, regular business expenses, salaries, taxes paid, etc.
Nondeductible expenses	Income Tax, 20% of trademark royalties paid to foreign entities, unpaid services/royalties/interest with foreign related parties, undocumented expenses and reserves, among others
This capitalization rules	Yes
Transfer pricing rules	Yes
Controlled foreign companies rules	Yes
Domestic withholding systems	Yes
Tax credit system	Yes
Participation exemption	No
Prepayment system	Income Tax: 10 prepayments / Tax on Assets: 11 prepayments
NOLs	Carryforward for 5 years
Income Tax for non-residents	
Taxable income	Incomes of Argentinean source
Method	withholding tax on payments
Dividends WHT (included branches)	10% / 35%
Interest	15,05% / 35%
Royalties	12,25% / 17,5% / 28% / 31,5%
VAT	
Tax scope	Domestic sale of goods and services. Import of goods and services
Tax rates	General rate: 21% / Specific rates: 10,5% and 27%

Wealth Tax	
Tax scope	% of Net equity property of persons and foreign entities
Tax rate	0,5% on net equity
Banking Tax	
Tax scope	Banking transactions
Tax rate	0,6% per movement
Payroll Tax	
Tax scope	Salaries
Tax rate	23%/27% on salaries
Revenue Tax	
Tax scope	Economic activities carried on within Provinces and Ciudad de Buenos Aires
Tax rates	1% / 3% / 5% / 8% depending on the type of activity
Main exemptions	Manufacturing and exports are usually are exempted or lower tax rates are applicable
Revenue Share	When a company performs activities in 2 or more provinces, revenues should be distributed considering an annual coefficient. Such coefficient is based on revenues and expenses in each province, according to prior year Financial Statement
Stamp Tax	
Tax scope	Agreements or contracts with economic value signed within a Province or Ciudad de Buenos Aires
Tax rates	General rate: 1% / Specifics rates: 2,5% / 4%
Main incentive regimes	
Industries with exemptions and incentives	Software, biotechnology, mining, biofuel production, capital investments in certain activities, Small business (PYMES)

- [Tax treaties](#)

Argentina has a small network of Tax Treaties and it is required a residence certified in order to apply its benefits.

Tax Treaties in force			
Australia	Belgium	Bolivia	Brazil
Canada	Denmark	Finland	France
Germany	Italy	Netherlands	Norway
Russia	Spain	Switzerland	United Kingdom
Uruguay			