



Lataxnet[®]
LATIN AMERICAN TAX & LEGAL NETWORK

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Holding Companies
Developments

L A T I N A M E R I C A N T A X & L E G A L N E T W O R K

I. Chile Important features.

- Estimated growth 5.0 %
- Inflation 2.0 %
- Unemployment 8.5 %
- Dollar devaluation 15.0 %
- Fiscal deficit N/A %

II. OTHER FACTORS AND CIRCUMSTANCES: *Lataxnet*

- Twenty year of political stability.
- Open free economic system.
- Broad network of Free Trade Agreements
- Huge foreign investments.
- Twenty four Tax Treaties, and three already signed with The USA, Australia and Russia.
- Chile become a member of the OECD.
- Mining, Energy, Construction Boom.
- Highest per capita income in the Region.

III. Hot Tax Topics 2011

- Reconstruction opportunities after February earthquake.
- More Free Trade Agreements and Tax Treaties.
- Economic, political and social stability.
- Increasing growing the economy.
- High opportunities in mining, energy, real estate sectors.
- Chile is becoming as a Foreign investment platform for foreign companies doing businesses in L.A.
- Service regional platform for L.A. companies.
- Increasing of capital markets.
- Chilean companies with strong investment abroad.

IV. Chilean Platform Corporation

- Special purpose open corporation.
- Foreign investors from countries other than tax heaven jurisdiction.
- **Investing in freely convertible foreign currency, shares of stock in companies domiciled overseas or rights or quotas in companies domiciled overseas in countries different to tax heaven countries.**
- **Also can perform services in Chile or abroad to affiliates companies with none income tax payment.**
- **Chilean Income tax exemption on earning and dividend distributions because companies are consider as a “foreign source company”**
- **Tax treaty protection ?**

V. Chile as a Regional BPO

