



**TAXES IN
IMPUESTOS EN AMERICA**

2021

THIRD EDITION / TERCERA EDICIÓN

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Argentina

-  **Capital city:**
Buenos Aires
-  **Area:**
2,766,890 km²
-  **Population:**
44,938,710
-  **Language:**
Spanish
-  **Political system:**
Federal Republic
-  **GDP/capita 2019:**
USD 9,912
-  **Currency:**
Argentinian Peso (ARS)
-  **ISO Code:**
ARG
-  **Telephone code:**
+54
-  **National day:**
9 July



1. Taxes

In accordance with the provisions of the National Constitution of the Argentine Republic, the Federal Government provides the expenses of the Nation with the funds of the National Treasury, formed as a result of import and export duties and other contributions that equitably and proportionally the population imposes the Congress.

Only Congress, by means of a Law, imposes taxes and contributions.

1.1 Domestic Taxes

Domestic Taxes that are currently effective include the following:

- Income Tax;
- Income Tax for Beneficiaries Abroad;
- Tax on Personal Assets;
- Tax on Personal Assets (Shares and Corporate Shares);
- Minimum Presumed Income Tax;
- Value Added Tax;
- Tax on Bank Debit and Credits;
- Simplified Regime for Small Taxpayers (Single levy).

1.2 Provincial taxes

The Argentine Nation adopts for its government the federal republican representative form. The national territory is divided into Provincial States, which enjoy their own autonomy.

The National Constitution establishes that each province will dictate for itself a Constitution under the republican representative system, that ensures its administration of justice, its municipal regime and primary education.

Each province has the power to set taxes and provincial contributions to cover their expenses. Of these, the following are considered the main ones:

- Tax on Gross Income;
- Stamp Tax.

2. Income tax

2.1 Obligated subjects

- Individuals (visible existence);
- Undivided estates, as long as there is no declaration of heirs or if the will that fulfills the same purpose has not been declared valid;
- Legal entities (ideal existence):
 - › Corporations under the following modalities: limited partnership, limited liability company, public limited company and limited partnership for shares;
 - › Trusts;
 - › Mutual Investment Funds;
 - › Mixed Economy Companies;
 - › Civil Associations and Foundations.
- Permanent establishments in Argentina belonging to individuals or legal entities resident or constituted abroad.

2.2 Object

All persons, whether visible or ideal and residing in the country, are taxed on the totality of their profits either obtained in the country or abroad.
Non-residents are taxed exclusively on their Argentine source earnings.

2.3 Source

Argentine source earnings are those that come from goods located, placed or economically used in the republic, from the realization in the territory of the nation of any act or activity likely to produce benefits, or events occurred within the limit of the same.

2.4 Residence

Residents are considered natural persons of Argentine nationality, native or naturalized.

The persons of visible existence of foreign nationality who have obtained their permanent residence in the country or who, without having obtained it, have remained there with temporary authorizations granted, for a period of 12 months are also considered residents.

2.5 Concept of Taxable Profits

Earnings are returns, income or enrichment susceptible to:

- Frequency;
- Habituality;
- Purpose of Profit;
- Permanence of the source that produces them;
- Enabling the source of Revenue.

2.6 Determination of Net Income subject to tax

The tax is calculated on the net income obtained by subtracting from the gross profit the necessary expenses to obtain it or, in its case, maintain and conserve the source.

Whenever a loss is suffered in a year, it may be deducted from the taxable profits obtained in the following 5 years.

Revenue is accumulated when goods or services are billed, goods are delivered, services are provided or advances are received.

Income will be allocated as accrued or received (collected / paid) according to the source of income in question. They are divided by categories:

Category Imputation Criterion

- | | | |
|-----------|--|------------------|
| - First: | Land Income (Real Estate Placement / Real Rights) | Accrued |
| - Second: | Capital Income
(Furniture Stuff / Rents Securities and Bonds / Dividends) | Perceived |
| - Third: | Rents of Legal Persons | Accrued |
| - Fourth: | Income from Personal Work
(Dependency relationship / Retirement and pensions / Liberal professions) | Perceived |

- The main **deductions, both personal and activity**, allowed by law are the following:
 - Returns, discounts and bonuses;
 - Cost of Sales;
 - Expenses related to the development of commercial activity;
 - Depreciation and amortization on investments in Fixed Assets and deferred charges;
 - Uncollectable debtors;
 - Burial expenses;
 - Family Charges (Spouse, children, parents, descendants and ascendants);
 - Donations;
 - Interest on Mortgage Debts and Mortgage Loans;
 - Losses due to unforeseeable circumstances and force majeure;
 - Life and Retirement Insurance;
 - Medical and dental fees, as well as hospital expenses;
 - Premiums for medical expenses insurance.

2.7 Exemptions

Among the main ones, the following are listed:

- Cooperatives, civil associations, foundations, mutual and religious institutions;
- Exploitation of Copyrights, for up to USD 10,000 per year;
- Donations, inheritances and legacies;
- Results from transactions of purchase, exchange, exchange, or disposal of shares, securities, bonds and other securities, obtained by individuals and undivided estates;
- Results from the Sale of Amortizable Property (Fixed Assets);
- Interest originated by deposits in Fixed Term and Savings Banks;
- Severance payments in cases of dismissals and those received in the form of income for causes of death or incapacity caused by accident or illness.

2.8 Tax Aliquots (Fees)

The Individuals will pay on the net profits subject to tax the sums that result according to the following scale (Taxe rates apply starting 01/01/2020):

	to USD	Will pay USD	Plus %	On the surplus of
-	47 669,16	-	5	-
47 669,16	95 338,32	2 838,46	9	47 669,16
95 338,32	143 007,48	6 673,68	12	95 338,32
143 007,48	190 676,65	12 393,98	15	143 007,48
190 676,65	286 014,96	19 544,36	19	190 676,65
286 014,96	381 353,28	37 658,64	23	286 014,96
381 353,28	572 029,92	59 586,45	27	381 353,28
572 029,92	762 706,57	111 069,14	31	572 029,92
762 706,57	-	170 178,90	35	762 706,57

In the case of Legal Entities, the tax rate that is applied to the utility is 30%.

2.9 Fiscal Year, Advances, Payments and Computing of Payment on Account

- **Fiscal Year**

The Income Tax is settled and paid by annual fiscal year.

For individuals, the fiscal year begins on 1 January and ends on 31 December.

In the case of Legal Entities, the profits obtained will be allocated to the fiscal year in which the corresponding year ends.

- **Advances**

Advances must be made on account of the tax, based on the tax determined for the last fiscal year. The amount to be paid depends on the person concerned:

- Individuals: 5 Advances per year;
- Legal Entities: 10 Advances per year.

- **Payments**

Tax must be paid within the 4 (Individuals) or 5 (Legal Entities) months after the end of the fiscal year, and monthly Advances from the month following the payment.

- **Computing of Payment on Account of**

The sums actually paid for analogous taxes on activities abroad may be computed as payment on account of the tax, up to the limit of the increase in the fiscal obligation originated by the incorporation of the profit obtained abroad.

2.10 Dividends or Distributed Profits

The tax on dividends or profits distributed to the Shareholders or Partners should be withheld by the company.

When dividend payments or profit distributions are made, exceeding the determined earnings accumulated at the end of the immediately preceding year, the company must withhold a single and final payment of 35% on the referred surplus, on the date of said payment or distribution. Based on the results for the year beginning on or after 1 January, 2018, a tax of 7% must be applied at the time of dividend distribution.

Dividends received by individuals are considered non-taxable because the company has already withheld Income Tax.

3. Tax on profits for foreign beneficiaries

3.1 Obligated subjects

Foreign Beneficiary is considered to be one who receives his earnings abroad directly or through attorneys, representatives or any other representative in the country and who, perceiving them in the country, will not prove stable residence in the same.

They are the following:

- Individuals living abroad, regarding their "Argentine source" earnings;
- Legal persons resident abroad who have a permanent establishment in Argentina, with respect to the income attributable to said establishment.

3.2 Residence

The individual who has established permanent housing in Argentina is considered a resident. Also considered as such is one who, having a home in another country, falls in one of the following cases:

- When the core of your vital interests is located in the national territory;
- If you habitually live in the Argentine Republic, a condition that will be considered fulfilled if you stayed in it for longer than in the foreign State that granted you permanent residence, during the period of one calendar year;
- If during the aforementioned period you stayed the same time in the country and in the foreign State that granted you residence, having Argentine nationality.

3.3 Determination of the Taxable Base

The Taxable Base is determined considering the Net Income subject to tax, for each of the following activities:

- Contracts that fulfill the requirements of the Technology Transfer Act;
- Copyright exploitation in the country;
- Interest or remuneration paid for credits, loans or placements of funds of any origin or nature;
- Salaries, fees and other compensation to persons acting temporarily in the country, such as intellectuals, technicians, professionals, artists, athletes and other personal activities;
- Location of personal property and real estate located in the country;
- Transfer for consideration of assets located, placed or economically used in the country.

3.4 Retention to practice

Foreign beneficiaries are taxed for their "Argentine source" earnings, through withholdings by Argentine residents who make payments to such beneficiaries.

Withholding will be established by applying the rate of 35% on Net Income subject to tax determined for the type of activity in question.

The withholding rate may be lower than that set out in the law, if there is an agreement to avoid international double taxation concluded between Argentina and the country of residence of the foreign individual or legal entity.

3.5 Agreements to avoid international double taxation

To date, Argentina has signed agreements to avoid Double Taxation with the following countries: Germany, Australia, Austria, Belgium, Canada, Bolivia, Brazil, Chile, Denmark, Spain, Finland, France, Italy, Norway, Countries Netherlands, United Kingdom, Sweden and Switzerland.

On the other hand, there are agreements on international transport with the following countries: Colombia, Cuba, Ecuador, United States, Greece, Iran, Israel, Japan, Malaysia, Mexico, Peru, Poland, Portugal, Switzerland, Russia, Uruguay and Venezuela.

4. Tax on personal property

4.1 Obligated subjects

- Individuals residing in the country and abroad.
- Undivided Successions (SI) located in the country and abroad.

4.2 Object

- Physical and SI people domiciled in the country for the goods located in the country and abroad.
- Individuals and IS domiciled abroad by the assets located in the country.

4.3 Determination of the Taxable Base

For the determination of the Tax Base, the goods must be valued in accordance with the provisions for each type of property. The main valuation guidelines are detailed below:

- Fixed Assets: Acquisition cost, deducting the amount corresponding to the annual depreciation.
- Cash, Bank Accounts, Inventory and Account Receivable in Argentine currency: Value as of 31 December of every year.
- Cash, Bank Accounts, Inventory and Account Receivable in Foreign currency: Quotation value at 31 December of every year.
- Personal assets: By their acquisition cost value.

The amount to be appropriated for these goods may not be less than that resulting from applying 5% of the sum of the total value of the encumbered assets located in the country and the value of the properties located abroad.

4.4 Exemptions

Among the main ones, the following are listed:

- Assets belonging to members of foreign diplomatic and consular missions;
- Social quotas of the Cooperatives;
- Intangible Assets (keys, brands, patents, concession rights and other similar assets);

- The titles, bonds and other securities issued by the Nation, the provinces and the municipalities;
- Rural Properties;
- Deposits in Argentine and Foreign Currency made for a fixed term and in Savings Bank;
- Shares and interests in the capital of any type of company;
- Taxed assets whose total value is equal to or less than USD 305,000.

4.5 Tax Aliquots (Fees)

The tax will result from the application of an aliquot ranging from 0.25% to 1.25%, according to a table, on the total value of the goods of each taxpayer. This table is being modified by the law enacted in December 2019 mentioned in the introduction.

4.6 Fiscal Year, Advances, Payment and Counting of Payment on Account of

- **Fiscal Year**

The tax on Personal Assets is paid per annual fiscal year.

- **Advances**

Five Annual Advances must be paid on account of the tax, based on the tax determined in the last fiscal year.

- **Payment**

The tax must be paid within four months after the end of the fiscal year, and Advances from the second month after the payment (every two months).

- **Computing of Payment on Account of**

The sums actually paid abroad may be computed as payment on account of taxes that consider the patrimony or the assets in a global manner as a tax base. This credit can only be computed up to the increase of the fiscal obligation originated by the incorporation of the assets permanently located abroad.

5. Tax on personal property (shares and corporate equity)

5.1 Obligated Subjects

- Individuals domiciled in the country and abroad.
- Undivided Successions (SI) located in the country and abroad.
- Legal Entities domiciled abroad.

5.2 Substitute Responsible

The tax will be paid and deposited by the Legal Persons, in which the subjects own the shares and/or participations, in the capacity of Substitute Responsible.

5.3 Object

The tax falls on the Shares and Participations that the Shareholders and Partners possess over the capital of the Legal Entity.

5.4 Determination of Taxable Base

The valuation of the ownership in Legal Entities will be determined based on the Net Equity (capital) of the same that arises from the difference between the Assets and the Liabilities as of 31 December of the respective year.

At the value thus determined, the credit or debit balance of the particular account of the holder as of 31 December of the year for which the liquidation of the lien is made will be added or subtracted, respectively.

If the closing date of the commercial year does not coincide with 31 December of the respective year, capital increases and decreases must be added to and / or subtracted from equity.

5.5 Exemptions

The Shares and/or Units are considered to be owned by the Legal Entity in other Legal Entities.

5.6 Tax Aliquots (Fees)

The aliquot to be applied will be 0.50% on the determined tax base. The tax thus entered will have the character of a single and definitive payment (it cannot be computed as payment on account of other taxes).

5.7 Payment

The tax must be paid in the month of May of each year and no Advances must be forwarded.

6. Tax on minimum alleged gain

6.1 Obligated subjects

- Legal Entities domiciled in the country.
- Civil Associations and Foundations domiciled in the country (as long as they are not exempt in the Income Tax).
- One-individual companies or operations located in the country, belonging to persons domiciled therein.
- Individuals and Indivisible Successions, holders of rural properties, in relation to said properties.
- Stable establishments (factory, branch, office, agency or permanent representation) domiciled or located in the country, belonging to individuals or legal entities domiciled abroad, or to sole proprietorships or companies located abroad.

6.2 Object

It is determined on the basis of the Assets at the close of the annual fiscal period. When irregular fiscal years are closed, the tax to be paid will be determined on the resulting assets at the closing of said years, in proportion to the period of duration of the same.

6.3 Determination of the Taxable Base

For the purposes of determining the Taxable Base, the assets must be valued in accordance with the provisions for each type of asset. They are detailed below:

- Real Estate Investments: Acquisition cost, deducting the amount corresponding to the annual amortization;
- Cash, Bank Accounts, Inventory and Account Receivable in Argentine currency:
- Value at the closing date of the fiscal year;
- Cash, Bank Accounts, Inventory and Account Receivable in Foreign currency: Quotation value at the closing date of the fiscal year;
- Intangible assets: For the cost of acquisition.

6.4 Exemptions / Non-computable assets

- Shares and other interests in the capital of other entities subject to the tax and the contributions made on account of future capital additions.
- Assets belonging to the subjects reached by the investment regime for the mining activity.
- Balances pending integration of the shareholders.
- Amount corresponding to depreciable personal property, first use, except for motor vehicles, in the year of acquisition or investment and in the following one.
- Value of the investments in the construction of new buildings or improvements, in the year in which the investments are made and in the following one.
- Assets of the asset taxed in the country whose value as a whole is equal to or less than USD 200,000.

6.5 Tax Aliquots (Fees)

The tax to be paid will arise from the application of the 1% rate on the determined tax base, provided that the value of the Asset as a whole exceeds the sum of USD 200,000.

When the value of the assets exceeds the aforementioned sum, the entire encumbered asset of the taxpayer will be subject to the tax.

6.6 Fiscal Year, Advances, Payment and Counting of Payment on Account of

- **Fiscal Year**

The tax on the Minimum Presumed Profit is paid per annual fiscal year.

- **Advances**

Advances must be paid on account of the tax, based on the tax determined in the last fiscal year. The amount to be paid depends on the person concerned:

- Subjects whose fiscal year closings coincide with the calendar year: 5 Advances bimonthly;
- Other Responsible Parties: 11 Monthly Advances.

- **Payment**

The tax must be paid within four months (Individuals) or five months (Legal Entities) after the end of the fiscal year, and Advances from the month following the payment.

- **Computing of Payment on Account of**

The sums actually paid for analogous taxes on their activities abroad may be computed as payment on account of the tax, up to the limit of the increase of the fiscal obligation originated by the incorporation of the profit obtained abroad.

- **Computation as Payable to Income Tax**

The income tax determined for the fiscal year for which this tax is settled may be computed as payment on account of the tax.

If a non-absorbed surplus arises from the calculation, it will not generate a balance in favor of the taxpayer in this tax.

- **Computation as Payment on Account in the Income Tax**

It will be admitted to compute as a payment on account of the Income Tax, in any of the 10 following years, the tax on the Presumed Minimum Income actually paid.

7. Value added tax

7.1 Obligated subjects

They include the following subjects that sell goods, provide independent services, grant the use or temporary enjoyment of goods, or import goods or services.

- Individuals;
- Legal Entities;
- Undivided Successions.

7.2 Object

- Sales of personal property located or placed in the territory of the country.
- Works, locations and provision of services, carried out in the territory of the Nation.
- Definitive imports of movable things.
- Services Imports.

7.3 Concept of Sale

There will be sale in the following cases:

- Transfer for consideration;
- Transmission of ownership of movable things. For example: swap, dation in payment, social contributions, sales and judicial auctions;
- Economic use in the country.

7.4 Exemptions

- Books, brochures and similar printed matter and the sale to the public of newspapers, magazines, and journals.
- Healthcare, medical and paramedical services.
- International transport of passengers and cargo.
- Deposits in cash in national or foreign currency in its various forms.
- Benefits inherent to the positions of director, trustees and members of supervisory boards of corporations and equivalent positions of administrators and members of the boards of directors of other societies, associations and foundations and of the cooperatives.
- Disposal of Properties.
- Location of buildings exclusively destined to the tenant's house and of rural properties affected to agricultural activities.
- Exports of Goods and Services.

7.5 Tax aliquots (fees)

The general aliquot is in the order of **21%**.

For the following cases, the application rate is **27%**:

- Telecommunications services;
 - Gas supply;
 - Electricity supply;
 - Provision of running water, sewage and drainage.
- For the following cases, the reduced aliquot of 10.5% is applied:
 - Primary Activity (Farming);
 - Bread, cookies, cookies and biscuits, made exclusively with wheat flour.
 - Construction of real estate intended for housing;
 - Interests and Commissions of loans granted by the financial entities;
 - Sales, locations and final imports, whose purpose is the goods included in the MERCOSUR Common Nomenclature tariff positions;
 - Sales of chemical fertilizers for agricultural use.

7.6 Determination of the tax to be paid or of the balance in favor

The liquidation of the tax is governed by the accrual method, regardless of whether the operations have been collected or paid.

The net price of the sale, of the lease or of the rendering of services, will be that which results from the invoice or equivalent document extended by those bound to the income of the tax, net of discounts and bonuses.

To calculate the tax, the Net price of the transaction will be applied the corresponding rate to the activity carried out, determining the corresponding Fiscal Debit.

Of the determined tax, the tax that was invoiced to you (Tax Credit) will be subtracted from the purchase or definitive importation of goods, locations or provision of services.

The net of both will result in the amount to be paid or the balance to be paid, depending on whether the Debit is greater than the Credit, or vice versa.

The resulting amount to be paid may be reduced by the calculation of withholdings or Perceptions suffered and balances in favor of previous terms.

7.7 Declarations, Payments and Payment on account of other taxes

- Statements

The tax is declared and paid monthly, with the obligation to submit a Sworn Statement for a monthly period.

- Payment is made on a monthly basis no later than the 23rd day of the following month
- Use of the balance in favor of the Tax

The balance in favor of free availability originates from the existence of withholdings and Perceptions suffered that could not be compensated with the balance to be paid (produced from the difference between Debit and Tax Credit).

The overpayment balance can be:

- Transferred to third parties.
- Compensated with the balance payable of other taxes and of their advances (Earnings, Minimum Presumed Income and Personal Assets).
- Request as a refund.

7.8 Request for Exclusion of Withholdings and Perceptions of Value Added Tax

The subjects that have a balance in favor of free availability will be able to process applications for Certificates of Exclusion of the withholding, collection and/or payment on account of the value added tax.

The exclusion will be of an overall nature and will have a maximum effect of 6 months.

7.9 Export Refunds

The exporters will be able to compute against the tax that in definite owed by their taxed operations, the tax that by goods, services and locations that destine indeed to the exports, would have been invoiced to them.

If the compensation can not be made or only partially, the resulting balance will be credited against other taxes or, failing that, it will be returned or its transfer will be allowed in favor of third parties.

Said accreditation, refund or transfer shall proceed up to the limit that arises from applying the tax rate to the amount of exports made in each fiscal year.

7.10 Reimbursement of Value Added Tax to Tourists from Abroad

The purchases made by tourists from abroad, of taxed goods produced in the country that they move abroad, will result in the refund of the tax invoiced by the seller.

8. Tax on bank debits and credits

8.1 Obligated Subjects

- Individuals;
- Legal Entities;
- Undivided Successions.

8.2 Object

Operations achieved are the following:

- Credits and Debits made in accounts opened in Financial Institutions.
- Movements of funds made on their own behalf or by account and/or on behalf of others, regardless of the mechanisms used to carry them out.
- Debit in the bank accounts of employers, in the case of funds for the payment of salaries.
- Debit in the current account of the drawer of the check that is used for the payment of:
 - Tax Obligations;
 - Public Services provided by companies.

8.3 Exemptions

- Loans in Savings Accounts or Current Bank Accounts up to the amount credited for salaries or retirement and pensions, and debits in those accounts up to the same amount.
- Transfer of funds from one current account to another from the same account holder.

- Debits and Credits in Savings Bank.
- Payment made for tax obligations and public services by deposit in a financial entity.

8.4 General Tax Aliquot (Rate)

The general tax rate will be 0.6% for credits and 0.6% for debits.

The general rate is reduced in the following cases:

- 0.25%: Subjects that are exempt from Income Tax and in the Value Added Tax;
- 0.075%: Subjects that are dedicated to activities of grain brokers, operators of credit card and/or debit systems, among others.

8.5 Calculation of Payment on Account of the Income Tax and Minimum Presumed Income

34% of what is paid as Tax can be computed against the balance of the Annual Affidavit or Advances of Income Tax and/or Minimum Presumed Profit.

The non-computed remnant may be transferred until exhaustion to subsequent fiscal years of the mentioned taxes.

9. Simplified regime for small taxpayers (single levy)

9.1 Obligated subjects

They are the following:

- Individuals who sell goods, works, locations and/or provision of services;
- Members of Labor Cooperatives;
- Undivided Successions;
- Companies of Fact, to the extent that they have a maximum of 3 partners;
- Irregular Commercial Companies, to the extent that they have a maximum of 3 members.

9.2 Object

It constitutes an integrated and simplified tax regime for small taxpayers.

9.3 Definition of Small Taxpayer

To be considered as such, the aforementioned subjects must comply, among others, with billing parameters that are updated at least once a year.

9.4 Taxes Covered

The income generated as a result of registration in the Regime, substitute the payment of the following taxes:

- Income Tax;
- Value Added Tax.

The subjects enrolled in the Regime are exempt from the Minimum Presumed Income.

9.5 Exclusion from the Regime

The following subjects are excluded from the Regime:

- Those with gross income for the last 12 months that exceeds the limits established for the last category;
- Surface and Electric Power companies who exceed those corresponding to the last category;
- Those who acquire goods or make unjustified expenses for an incompatible value with declared income;
- Those who do more than 3 simultaneous activities or have more than 3 units of exploitation;

9.6 Effects of the Exclusion from the Regime

Exclusion implies that you must comply with your monthly obligations for the following Taxes:

- Income Tax;
- Value Added Tax.

9.7 Categories of the Regime and Tax to be entered by each

Subjects enrolled in the Simplified Regime must report, on a monthly basis, the integrated tax that will result from the category where they are classified depending on the type of activity, gross income and magnitudes physical (surface and electrical energy) assigned to them.

9.8 Effects of the Exclusion from the Regime

At the end of each calendar quarter, the accumulated income and the electrical energy consumed in the previous 12 months must be calculated, as well as the area affected by the activity at that time. When said parameters exceed or are below the limits of their category, they will be framed in the corresponding category, starting from the second month of the last month of the respective semester.

9.9 Resignation to the Regime

You can resign to the Regime at any time. Such resignation implies that the Regime will not be eligible again until after 3 calendar years after the resignation.

9.10 Payment

The payment of the tax will be made monthly before the 7th of each month.

10. Tax on gross income

10.1 Obligated Subjects

They are the following:

- Individuals;
- Legal Entities;
- Undivided Successions.

10.2 Object

It constitutes a tribute of provincial character and is applied on the accomplishment of all commerce, profession, leases or of any other activity, whatever is the obtained result, the nature of the subject that lend it and the place where it is realized.

The development of the activity will be subject to tax if it meets the following requirements:

- Habituality;
- Hardship;
- Territoriality (exercised within the provincial territory).

10.3 Determination of the Taxable Base

The tax is determined on the basis of the gross income accrued during the fiscal period, for the exercise of the taxable activity.

The amount corresponding to the Value Added Tax does not integrate the tax base subject to tax.

10.4 Definition of Gross Income

It is the total amount accrued for the exercise of the taxed activity. It includes the following concepts: sale of goods, provision of services, locations, royalties, interest, updates and all other remuneration for the placement of a capital.

10.5 Deductions from the Taxable Base

The amounts corresponding to refunds, bonuses and discounts are deducted from the taxable income in the fiscal period that is settled.

10.6 Exclusions / Exemptions

- Personal work performed in a dependency relationship, Retirement and pensions;
- Professional Fees;
- Securities, bonds, obligations and papers issued by the Nation, the provinces and the municipalities;
- Dividends;
- Cooperatives, foundations, associations, scientific, cultural and sports entities;
- Interest on deposits in savings, fixed-term and current account deposits;
- Sales of Properties and Assets;
- Rent of up to two housing units (if it does not exceed USD 1,200 per month for each);
- Exports;
- Fees of Board Members, Management and Supervisory Boards;
- Primary Production (Agricultural), Mining and Industrial.

10.7 Tax aliquots (fees)

The aliquots to apply, on the tax base, for the calculation of the tax range between 0,5% and 12%, depending on the activity in question. Some examples are the following.

10.8 Fiscal Year, Affidavits and Payment

- Fiscal Year

The gross income tax is paid monthly, no later than the 20th of the following month.

- Affidavit

The determination of tax obligations is made on the basis of presentation of sworn monthly tax returns.

- Payment

The amount of the tax to be paid will be the one resulting from subtracting from the total tax, estimated tax payments, withholdings and credit balances of previous periods.

11. Stamp tax

11.1 Obligated Subjects

- Individuals;
- Legal entities;
- Undivided successions.

11.2 Object

It is a tax of provincial character that includes the acts, contracts and operations, that externalize the will of the parts.

The operation will be subject to tax if it meets the following requirements:

- Existence of Legal Act (licit voluntary acts that have the immediate purpose of establishing legal relationships between companies);
- Instrument (deed or document from which the improvement of acts,

- contracts and operations arises) Public or Private;
- Onerousness;
- Territoriality (exercised and with effects within the provincial territory).

11.3 Determination of Taxable Base

The tax will be settled considering the improvement value of the commercial operation. For example: in the case of property transfer, the transfer value of the property will be taken (which arises from the title deed).

11.4 Exemptions

- Cooperatives, Foundations, Civil and Mutual Associations.
- Mortgages constituted by the sale of real estate, as well as the constitution of pledges:
 - Incorporation of companies and any act related to capital increase, merger and division;
 - Life insurance contracts, personal and collective accident contracts;
 - Deposits in savings accounts, current and fixed-term accounts;
 - Employment contracts for personnel in dependency relationship;
 - Money orders, checks and postal values;
 - Translating deeds of ownership of real estate in the case of single, family and permanent housing;
 - Contract of sale or lease of things, works or services that formalize export operations;
 - Acts and contracts in which operations of sale of new capital goods and domestic production are instrumented for investments in economic activities carried out in the country.

11.5 Tax Aliquots (fees)

The aliquots to apply for the calculation of the tax range between 0.2% and 4%, depending on the operation in question.

11.6 Payment

The determined tax is paid at the time of formalization of the legal act, once and for each act subject to tax.

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