



TAXES IN AMERICA

2024

6th EDITION

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Bolivia



Capital city:
Sucre



Aera:
1,098,580 km²



Population:
12,477,888



Language:
Spanish



Political system:
Presidential
republic



GDP/capita
2023:
USD 9,738



Currency:
Boliviano (BOB)



ISO Code:
BOL



Telephone code:
+591



National day:
6 August

1. Tax to profits

1.1 Tax on the Utilities of the Companies - (TUC)

Companies

WHAT IS TAXABLE?

- Net income (Gross profit minus deductible expenses)

WHO HAS TO PAY?

Public and private companies, including unipersonal ones.

WHO DOES NOT HAVE TO PAY?

- National government.
- Departmental and Municipal Autonomous Governments.
- Public universities.
- Associations, foundations and non-profit institutions legally authorized.
- New industries established in the city of El Alto.

WHAT IS THE ALIQUOT?

- 25%, on net profits

WHAT FORMS SHOULD BE USED?

- **Form. 500** for companies forced to keep accounting records.
- **Form. 605** for presentation of financial statements or annual report.
- **Form. 520** for companies not required to keep accounting records.
- **Form. 560** for companies in El Alto - economic promotion.
- **Form. 501** for transporters.
- **Payment ticket 1000 (*)**
- **Form. 570 (*)** withholdings.

WHEN SHOULD IT BE PAID?

- **Annual** (Up to 120 days after the closing of fiscal management).

Liberal professionals or offices (Valid until 31 December 2022)*

WHAT IS TAXABLE?

- Presumed profit, 50% of the total amount of income received, minus taxes.

WHO HAS TO PAY?

- Natural persons who exercise liberal professions or trades independently, including Notaries, Civil Registry Officials, Brokers, Factors, Trade Brokers.

WHO DOES NOT HAVE TO PAY?

- Liberal professions or professions developed in relation of dependence.
- Cultural activities of national artists in state or municipal scenarios.

WHAT IS THE ALIQUOT?

- 25%, on presumed net income

WHAT FORMS SHOULD BE USED?

- **Form. 510**
- **Form. 110** for detail of invoices (personal expenses of the management to be declared)
- **Payment Card 1000 (*)**

WHEN SHOULD IT BE PAID?

Annual (Up to 120 days after the end of its fiscal management).

In accordance with Law 1448 and Supreme Decree N°4850, these professionals are incorporated into the RC-VAT in their entirety from 1 January 2023, being excluded from this tax.

Beneficiaries abroad

WHAT IS TAXABLE?

- Bolivian source utilities sent abroad.

- Activities partially carried out in the country.

WHO HAS TO PAY?

- Natural and legal persons that remit such rents.
- Branches of companies that carry out partial activities in the country.

WHO DOES NOT HAVE TO PAY?

- There are no exemptions

WHAT IS THE ALIQUOT?

- **Effective rates:**
 - 12.5%, for remittances abroad for income from Bolivian sources.
 - 4%, for activities partially carried out in the country.
 - 1.5%, for remittances abroad activities partially carried out in the country

WHAT FORMS SHOULD BE USED ?

- **Form. 530**, for beneficiaries from abroad.
- **Form. 541**, for activities partially developed in the country (Art. 42 D. S. 24051).
- **Form. 550** for remittances for activities partially developed in the country (Art. 43 D. S. 24051).
- **(*) Payment card 1000**
- **(*) Payment card 3050**

WHEN SHOULD IT BE PAID?

- Monthly (According to the expiration, according to the last digit of the NIT).

Additional aliquot to (iue) mining

WHAT IS TAXABLE?

- Additional profits originated by favorable prices conditions for minerals and metals.

WHO HAS TO PAY?

- Mining companies.

WHO DOES NOT HAVE TO PAY?

- Mining Cooperatives.

WHAT IS THE ALIQUOT?

- 12.5% About (IUE)

WHAT FORMS SHOULD BE USED?

- **Form. 585 (*)**: Additional rate to the consolidated IUE.
- **Form. 587 (*)**: Additional aliquot to (IUE), monthly.
- **Form. 588 (*)**: Determination of the additional Aliquot to (IUE).

WHEN SHOULD IT BE PAID?

- **Annual** (Up to 120 days after the close of your fiscal management).

(IUE) Financial

WHAT IS TAXABLE?

- Surplus of 13% of the Profitability Coefficient, with respect to net worth.

WHO HAS TO PAY?

- Banking and non-banking entities, regulated by the ASFI.

WHO DOES NOT HAVE TO PAY?

- Banking and non-banking entities, regulated by the ASFI. Second floor banks.

WHAT IS THE ALIQUOT?

- **12.5%**.

WHAT FORMS SHOULD BE USED?

- **Form. 515 (*)**.

WHEN SHOULD IT BE PAID?

- **Annual** (Up to 120 days after the close of your fiscal management).

2. Tax on heritage

2.1 Tax to the free transfer of assets - (ITGB).

WHAT IS TAXABLE?

- Free transfers of recordable assets.

WHO HAS TO PAY?

- The beneficiaries of successions, testaments, legitimate advances and donations.

WHO DOES NOT HAVE TO PAY?

- Central government.
- Municipal Governments.
- Non-profit Associations, Foundations or Institutions, legally authorized.
- Homeland heroes.

WHAT IS THE ALIQUOT?

- 1% Parents, children, spouse.
- 10% Brothers and descendants.
- 20% Collateral, legatees.

WHAT FORMS SHOULD BE USED?

- **Form. 622-1** Real estate
- **Form. 635-1** Vehicles and others
- **Payment 1000**

WHEN SHOULD IT BE PAID?

- Until 90 days after the declaration of heirs.
- Between living persons within 5 business days after the date of birth of the taxable event.

3. Value added tax

3.1 General regime

WHAT IS TAXABLE?

- Usual sales of chattels.
- Rent and sublease of chattels and real estate.
- Services in general and construction contracts.
- Definitive imports.
- Financial leasing (leasing) with chattels.

WHO HAS TO PAY?

- Individuals or legal entities that carry out the operations mentioned above.

WHO DOES NOT HAVE TO PAY?

Exempt activities:

- Exports.
- "Bonafide" imports up to USD 1,000.
- The transfer of assets or assets subject to the securitization process by the securitization companies.
- Portfolio transfer.
- Transfers with public offer values.

Other concepts:

- Exports.
- Sale of tourist services and accommodation to foreign tourists.
- Cultural activities of national artists in Municipal or State scenarios.
- The sale of state books and publications.
- International transport.

WHAT IS THE ALIQUOT?

- 13%, this percentage applies to purchases and sales

WHAT FORMS SHOULD BE USED?

- **Form. 200**
- **Form. 210**, for exporters requesting a tax refund
- **1000 Pay Pallet (*)**

WHEN SHOULD IT BE PAID?

- Monthly [According to expiration, according to the last digit of the (NIT)].

3.2 Supplementary arrangements to value added tax - (RC-IVA)

Contributors in relation to dependency

WHAT IS TAXABLE?

- Wages and salaries of dependants.
- Newspapers, bonuses, overtime, bonuses, diets, etc.
- Travel expenses according to scale.

WHO HAS TO PAY?

- All employees of the public or private sector through the retention agent (employer).

WHO DOES NOT HAVE TO PAY?

- Natural persons who perceive:
 - Acknowledgments
 - Social benefits
 - Subsidies
 - Other similar
 - Retirement and old age pensions
 - Travel expenses subject to surrender

WHAT IS THE ALIQUOT?

- 13% on the difference in income and allowable deductions.

WHAT FORMS SHOULD BE USED?

- **Form. 608 (*)** RC-IVA retention agents
- **Form. 110 (*)** detail of invoices
- **Form. 604 (*)** withholdings
- **1000 Payroll (*)**

WHEN SHOULD IT BE PAID?

- Only in the months that exist tax withheld. According to expiration, according to the last digit of the NIT.

Direct taxpayers

WHAT DOES IT RECORD?

- Rentals
- Interest on deposits in fixed-term savings and checking accounts
- Directors' fees of Incorporated companies and Trustees
- Salaries of staff recruited locally by diplomatic missions, international organizations and foreign governments
- Income of persons hired by the public sector (consultants)
- Antichresics (alleged)

WHO PAYS?

- All natural persons and undivided successions that obtain income for the activities indicated above.

WHO DOES NOT PAY?

- Natural persons and undivided successions achieved by the SUI
- Interest generated by DPF placed in national currency in UFVs greater than 30 days
- Interest generated by fixed-term deposits placed over a period of three years or more
- Diplomatic officers, official personnel and foreign employees of International Organizations, Diplomatic Missions and foreign official institutions

WHAT IS THE ALIQUOT?

- 13%, on the total amount of income received.

WHAT FORMS SHOULD BE USED?

- **Form. 610** RC-IVA Direct Taxpayer
- **Form. 110** detail of invoices
- **1000 Payment Ballot (*)**

WHEN SHOULD IT BE PAID?

- Quarterly (From the 1st to the 20th of the month following the declared quarter).

Liberal professionals or trades (in force until 31 December 2022):

In accordance with Law 1448 and Supreme Decree N°4850 these professionals are incorporated into the RC-VAT in their entirety from 1 January 2023.

4. Other taxes

4.1 Transaction tax - (IT)

WHAT IS TAXABLE?

- Gross income accrued and obtained by the exercise of any lucrative activity or not, which includes:
 - Trade
 - Industry
 - Profession
 - Occupation
 - Rental of goods
 - Works and services
 - Free transfer of chattels, real estate and rights

WHO SHOULD PAY?

- All natural or legal persons carrying out the activities indicated above.
- Public and private companies, companies with or without legal status, also include sole proprietorships.

WHO DOES NOT HAVE TO PAY?

- Personal work in dependency relationship
- Performance of public positions
- Exports
- Services provided by the Plurinational State, Autonomous, Departmental and Municipal Governments
- Interest on deposits in savings banks, fixed term and current account
- Private educational establishments with official plan
- Sale of books, newspapers, information publications, newspapers and magazines

- Under the Securities Market Law, as well as capital quotas
- Services provided by Diplomatic Representations
- Purchase / sale of minerals, metals, oil and natural gas in the domestic market, provided it is destined for export
- Transfer of portfolio
- Cultural activities of national artists in state or municipal settings
- Assignment of assets or assets subject to securitization processes by securitization companies

WHAT IS THE ALIQUOT?

- 3% of the amount of the transaction.

WHAT FORMS SHOULD BE USED?

- **Form. 400** Usual Transactions.
- **Form. 410 (*)** Retentions.
- **Form. 440 (*)** Retentions from travel agencies.
- **Form. 430** For free transfers and sale of: real estate, motorboats, aircraft, capital shares and other assets (Only 1st sale or subsequent sales of recordable assets belonging to the taxpayer's assets).
- **1000 Payment Ballot (*)**

WHEN SHOULD IT BE PAID?

- Monthly (According to the expiration, according to the last digit of the NIT).
- 10 business days after the date (Declaration of Heirs, Transfer Draft or Legitimate Advance).

4.2 Property tax of real estate and automotive vehicles - (IPBIVA).

WHAT DOES IT RECORD?

The property of:

- Real Estate
- Vehicles
- Automotive

WHO HAS TO PAY?

- Owners of Real Estate and / or Motor Vehicles

WHO DOES NOT HAVE TO PAY?

- National heroes or their widows (in properties real estate until the first section of the tax scale)
- Central Government
- Associations, institutions, non-profit foundations (legally authorized)
- Diplomatic Missions

WHAT IS THE ALIQUOT?

- Varies according to the characteristics and value of the property through zoning tables, tax scale and depreciation.

WHAT FORMS SHOULD BE USED?

- Appropriate H.A.M. Form

WHEN SHOULD IT BE PAID?

- **Annual**, on dates established by the Executive Branch.

4.3 Specific consumption tax - (ICE)

WHAT IS TAXABLE?

Sales in the domestic market and final imports of goods for final consumption:

- Cigarettes and tobaccos
- Motor vehicles
- Refreshing drinks
- Beer
- Corn-based fermented beverages known as chicha
- Alcoholic beverages

WHO HAS TO PAY?

- Manufacturers and importers for their own account or third parties and legal or natural persons linked economically that market and / or distribute wholesale.

WHO DOES NOT HAVE TO PAY?

- Retail distributors

WHAT IS THE ALIQUOT?

- Varies according to the good:
 - Percentage rates: cigarettes, tobaccos, motor vehicles, etc.
 - Specific rates: refreshing drinks, beers, singanis (grape-distilled beverages), wines, spirits, liqueurs, corn chicha.

WHAT FORMS SHOULD BE USED?

- **Form. 115-1** (monthly).
- **Form. 185** (producers).
- **1000 Payroll**

WHEN SHOULD IT BE PAID?

- Monthly (Importers at the time of customs clearance).

4.4 Tax on large fortunes - (IGF)

WHAT IS TAXED?

Equity greater than or equal to BOB 30,000,000 (Equivalent to USD 4,310,345 exchange rate BOB 6.96 = 1 USD).

WHO PAYS?

All individuals who have assets greater than or equal to Bs 30,000,000.

WHO DOES NOT PAY?

Individuals who do not reach the established limit.

WHAT IS THE ALIQUOT?

Varies based on:

- 1.4% for people with wealth from BOB 30.000.000 to BOB 40.000.000 Bolivians (from USD 4.300.000 to USD 5.700.000),
- 1.9% from BOB 40.000.000 to BOB 50.000.000 (from USD 5.700.000 to USD 7.200.000), and
- 2.4% for larger fortunes

WHICH FORMS SHOULD BE USED?

- Form N°022 for persons resident in Bolivia.
- Form N°023 for persons not resident in Bolivia

WHEN SHOULD IT BE PAID?

- Residents in Bolivia until 31 March of the following year.
- Non-residents in Bolivia until 30 April of the following year.

4.5 Regime of cash reimbursement of the value added tax (Re-VAT)

OBJECT?

Its purpose is to establish the procedure for the authorization of the beneficiaries of the Cash Reimbursement Regime of the Value Added Tax (ReIVA) and the Registration of Purchase Invoices in the domestic market.

BENEFICIARIES?

It reaches individuals who receive an average monthly income equal to or less than Bs9,000.- (Nine thousand 00/100 bolivianos) for the following concepts:

- a) Salary in relation to dependency.
- b) Pensions or income as beneficiary of the plan.
- c) As independent or self-employed.

WHAT IS THE ALICUOT?

10% refund of declared invoices.

WHICH FORMS SHOULD BE USED?

- Form. 111 Re VAT (monthly).

WHEN IS THE BENEFIT RECEIVED?

- Monthly, prior to the registration of the beneficiaries before the National Tax Service SIN, registration and sending of Invoices.

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