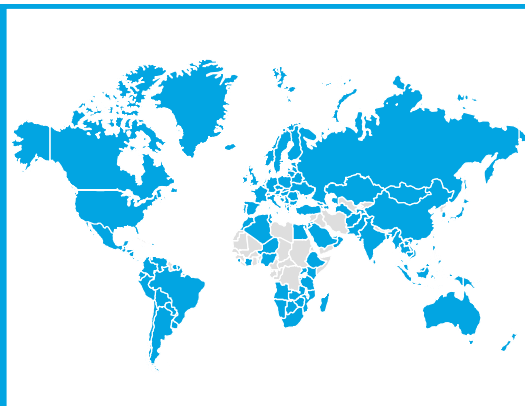


# EXPATRIATES

## Argentina

### Tax facts for international assignees



#### **INCOME TAX: WHO IS LIABLE**

Nationals who have lost their residence status by becoming resident of another country, and nationals who emigrate and remain outside Argentina for a period of 12 months or longer, are deemed to be a non-resident. In calculating the 12 month-period, temporary visits to Argentina up to a combined total of 90 days, whether consecutive or not, are disregarded. Therefore, Argentine individuals assigned to work abroad, will be considered tax residents for income tax purposes from the last day of the month immediate to the month when a 12-month period away from Argentina has elapsed and been completed. Consequently, the complete period of permanency as a tax resident will be 13 months. A resident individual will be taxed on worldwide income.

In order to declare the foreign sourced income and pay the corresponding tax due (after computing withholdings already suffered and the pertaining tax credit), the individual has to register himself as an income taxpayer, declare the income on an annual income tax return and pay the tax due.

Tax credit will be allowed but only for the National Income tax (analogue to our income tax) paid abroad, related with the foreign sourced income.

#### **BREAKING RESIDENCY - EXIT PROCEDURES**

Once the individual forfeits his residence condition, he /she becomes a foreign beneficiary and is subject to income tax on Argentine sourced income only, through a withholding system (Foreign Beneficiaries system), without the obligation of the individual to file an income tax return.

## INCOME TAX RATES

Taxable Income ARS	Tax due on lower limit (ARS)	Marginal rate on the excess (%)
0 - 25.754,00	-	5
25.754 - 51.508	1.287,70	9
51.508 - 77.262	3.605,56	12
77.262 - 103.016	6.696,04	15
103.016 - 154.524	10.559,14	19
154.524 - 206.032	20.345,66	23
206.032 - 309.048	32.192,50	27
309.048 - 412.064	60.006,82	31
Over 412.064	91.941,78	35

## SOCIAL TAXES

Argentinean employees expatriated to other countries will no longer be part of the payroll in Argentina.

In some cases, the individual may continue to be reported on the payroll in Argentina under a leave without pay, to prevent the employee from losing years of contribution to the retirement system.

It should be mentioned, that if there is a bilateral social security agreement between Argentina and the host country, the individual can contribute to the Social Security System of Argentina for the salary received abroad.

For further information and to register for future updates contact [expat@bdo.global](mailto:expat@bdo.global)

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