

Chile

Chile has met all aspects of the terms of reference (OECD, 2017^[3]) (ToR) for the calendar year 2019 (year in review) and no recommendations are made.

Chile can legally issue two types of rulings within the scope of the transparency framework.

In practice, Chile issued rulings within the scope of the transparency framework as follows:

- In the prior years: no rulings, and
- For the year in review: two future rulings.

As the two rulings were only issued in December 2019, no exchanges were required to take place during the year in review, no peer input was received in respect of the exchanges of information on rulings received from Chile.

A. The information gathering process

209. Chile can legally issue the following two types of rulings within the scope of the transparency framework: (i) cross-border unilateral APAs and any other cross-border unilateral tax rulings (such as an advance tax ruling) covering transfer pricing or the application of transfer pricing principles and (ii) related party conduit rulings.

210. For Chile, past rulings are any tax rulings within scope that are issued either: (i) on or after 1 January 2014 but before 1 April 2016; or (ii) on or after 1 January 2010 but before 1 January 2014, provided they were still in effect as at 1 January 2014. Future rulings are any tax rulings within scope that are issued on or after 1 April 2016.

211. In the prior years' peer review reports, it was determined that Chile's undertakings to identify past and future rulings and all potential exchange jurisdictions were sufficient to meet the minimum standard, noting however that they had not yet issued rulings in scope of the standard. In addition, it was determined that Chile's review and supervision mechanism was sufficient to meet the minimum standard. During the year in review, Chile issued relevant rulings and put its process into practice for the first time, and Chile indicates it has worked well and without difficulty.

212. Chile has met all of the ToR for the information gathering process and no recommendations are made.

B. The exchange of information

213. In the prior years' peer review reports, it was determined that Chile's process for the completion and exchange of templates that would be applicable if rulings were issued in practice were sufficient to meet the minimum standard. With respect to past rulings, no further action was required from Chile. Chile's implementation in this regard remains unchanged and therefore continues to meet the minimum standard.

214. Chile has international agreements permitting spontaneous exchange of information, including being a party to the (i) *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011^[4]) ("the Convention") and (ii) bilateral agreements in force with 33 jurisdictions.¹

215. As Chile issued two future rulings in December 2019, no exchanges were required to take place during the year in review, no data on timeliness of exchanges can be reported. Chile notes that it has exchanged information on one ruling with the relevant jurisdictions by March 2020, and in respect of the other, clarification is being sought by Chile as to whether there is a legal basis to complete the exchange with the relevant jurisdiction.

216. Chile has the necessary legal basis for spontaneous exchange of information, and a process for completing the templates in a timely way. Chile has met all of the ToR in the absence of rulings being required to be exchanged for the year in review and no recommendations are made.

C. Statistics (ToR IV)

217. As there was no information on rulings exchanged by Chile for the year in review, no statistics can be reported.

D. Matters related to intellectual property regimes (ToR I.4.1.3)

218. Chile does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015^[1]) were imposed.

Summary of recommendations on implementation of the transparency framework

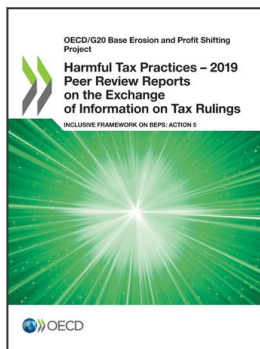
Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
	No recommendations are made.

References

- OECD (2017), *BEPS Action 5 on Harmful Tax Practices - Terms of Reference and Methodology for the Conduct of the Peer Reviews of the Action 5 Transparency Framework*, OECD Publishing, Paris, <http://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>. [3]
- OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264241190-en>. [1]
- OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264115606-en>. [4]

Notes

¹ Parties to the Convention are available here: www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm. Chile also has bilateral agreements with Argentina, Australia, Austria, Belgium, Brazil, Canada, China (People's Republic of), Colombia, Croatia, Czech Republic, Denmark, Ecuador, France, Ireland, Italy, Japan, Korea, Malaysia, Mexico, Norway, New Zealand, Paraguay, Peru, Poland, Portugal, Russia, Spain, South Africa, Sweden, Switzerland, Thailand, United Kingdom and Uruguay.



From:

Harmful Tax Practices – 2019 Peer Review Reports on the Exchange of Information on Tax Rulings Inclusive Framework on BEPS: Action 5

Access the complete publication at:

<https://doi.org/10.1787/afd1bf8c-en>

Please cite this chapter as:

OECD (2020), “Chile”, in *Harmful Tax Practices – 2019 Peer Review Reports on the Exchange of Information on Tax Rulings: Inclusive Framework on BEPS: Action 5*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/4adbd262-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.