

COUNTRY PROFILE



Bolivia

Tax overview

Corporate Income Tax	25%
Personal Income Tax	13%
Gift Tax	1-10-20%
Inheritance Tax	1-10-20%
Wealth Tax	1.4%-2.4%

Territorial Tax Regime

Bolivia has a territorial tax regime. Income tax is levied on Bolivian source income only. Income from foreign sources, including investment income earned abroad, is not subject to tax.

Corporate Income Tax

Corporations are subject to tax on Bolivian source income at a standard rate of 25%. Higher rates apply to mining, banking and insurance. Capitals gains are taxed at the corporate rate.

Personal Income Tax

Residents of Bolivia are subject to income tax on local source income at 13%. Capital gains are not subject to tax. Bolivia imposes gift and inheritance tax, at rates of 1%, 10%, or 20% depending on the recipient's relationship to the deceased or donor. In addition, Bolivia imposes wealth tax on fortunes greater than BOB 30MM (approx. 4.3MM), at rates between 1.4% and 2.4%, including foreign assets.

Anti-Avoidance Rule

Bolivia has no General Anti-Avoidance Rules (GAARs). Bolivia has Transfer Pricing rules, which follow OECD guidelines and require arm's length prices between related parties. Transfer pricing rules apply to transactions between Bolivian residents and residents of low-tax and tax-haven jurisdictions.

Bolivia has Thin Capitalization rules, but does not have Controlled Foreign Corporation (CFC) rules.

Foreign Investment Protection

Bolivia has international investment agreements with a number of jurisdictions for the protection of investments that provide for international arbitration in the event of nationalization or expropriation, including with China, Cuba, Paraguay, Peru, Romania and Korea. Bolivia unilaterally terminated its agreements with Luxembourg, the Netherlands, Spain, Switzerland, the United Kingdom and the United States. Bolivia withdrew from ICSID in 2007.

Double Tax Treaties (DTTs)

Bolivia has a number of DTTs, including with Argentina, Colombia, Ecuador, France, Germany, Peru, Spain, Sweden, and the United Kingdom.

Tax Info. Exchange Agreements (TIEAs)

Bolivia has no Tax Information Exchange Agreements (TIEAs) in force.

OECD Multilateral Convention

Bolivia is not a signatory to the OECD Multilateral Convention on Mutual Administrative Assistance in Tax Matters. Signatories to the Convention are required to exchange information on request.

Common Reporting Standard (CRS)

Bolivia has not adopted CRS for the automatic exchange of account information.

FATCA

Bolivia does not have a FATCA Intergovernmental Agreement (IGA) with the United States for the automatic exchange of account information, and is not treated as having an agreement in substance.

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