

Global Tax Alert

News from EY Americas Tax

Uruguay's Executive Power adds new conditions under which individuals may obtain tax residence

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EY Americas Tax

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Uruguay's Executive Power has issued Decree No. 163/020, establishing additional conditions under which individuals may claim tax residence based on their economic interests in Uruguay.

Background

Individuals generally may claim tax residence in Uruguay based on their economic interests in Uruguay if they satisfy one of the following conditions:

- (i) Have an investment in real estate with a value greater than 15,000,000 Indexed Units (IU) (currently, 1 IU is equal to approximately US\$0.11)
- (ii) Have an investment in a company, directly or indirectly, with a value greater than 45,000,000 IU, and the investment has been declared a national interest activity or project

Decree No. 163/020

The decree establishes additional conditions under which individuals may claim tax residence in Uruguay based on their economic interests. Individuals may claim tax residence if they meet one of the following conditions:

- (i) Have an investment in real estate in Uruguay with a value greater than 3,500,000 IU, if it is made as of 1 July 2020 and they have remained in Uruguay for at least 60 days during the calendar year
- (ii) Have a direct or indirect investment in a company in Uruguay with a value greater than 15,000,000 IU, if the investment is carried out as of 1 July 2020 and it generates at least 15 new jobs (in a dependent employment relationship)

New Jobs are those created as of 1 July 2020, without decreasing the jobs of a related company.

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