

# DOING BUSINESS IN PLURINATIONAL STATE OF BOLIVIA



AMERICA EUROPE ASIA AFRICA OCEANIA

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- **COST AND NUMBER OF DAYS FOR OPENING A COMPANY- COMPANY \$ 2,000, 20 BUSINESS DAYS, WHETHER THE ACTIVITY OF THE CORPORATE OBJECT OR THE FORM OF INCORPORATION: S.R.L.; S.A; S.C; S.A.M; etc.**
- **COST AND NUMBER OF DAYS FOR CLOSING A COMPANY- \$ 2,500, 1-3 MONTHS.**
- **COST AND NUMBER OF DAYS FOR REGISTERING PROPERTY- UP TO 20 BUSINESS DAYS.**
- **COUNTRY RISK LEVEL CLASIFICACION - AS OF JUNE 30, 2022 BB STABLE TO NEGATIVE.**
  - GDP(nominal) \$ 43,430 million (2022est.)**
  - GDP (PPP) \$ 118.8 million (2022est.)**
  - GDP variation + 2.7% (2019) -5.9% (2020) + 6.1% (2021) + 3.8% (2022)**
  - GDP per capita (nominal) \$ 3,631 (2022 est.)**
- **COUNTRY INVESTMENT SECURITY LEVEL - AS OF JUNE 30, 2022 IT WAS WORSE BY POLITICAL PERSECUTION IN ADDITION TO THE HIGH LEVEL OF CRIME IN THE MAIN CITIES.**
- **BUSINESS CLIMATE: COMPLICATED DUE TO THE CURRENT GOVERNMENT. BADLY EXECUTED PUBLIC SPENDING GENERATING TROUBLES TO THE GROWTH OF PRIVATE SECTOR.**

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- **TAX RATE-PERSONS – 25%, INCOME TAX.**
- **TAX RATE-COMPANIES – 25%, CORPORATE INCOME TAX. 2 YEARS FOR LOSSES COMPENSATION - (3 years of carry over).**
- **NON RESIDENTS TAX – 16% - 8%.**
- **Withholdings for services without an invoice are 13% (RC VAT) + 3% (IT).**
- **Withholdings for goods without an invoice apply 5% (IUE) + 3% (IT).**
- **DOUBLE IMPOSITION TREATIES WITH 8 COUNTRIES - ARGENTINA; ALEMANIA; ANDEAN COMMUNITY (ECUADOR; COLOMBIA; PERÚ); ESPAÑA; FRANCIA; U.K.AND SUECIA.**
- **EXEMPTIONS – FREE ZONE, (COBIJA-PANDO).**
- **TOTAL SOCIAL SECURITY-HOUSING-PENSION RATE – 16.71%.**
- **TAX ON PROPERTY – Real estate and vehicles are annually subject to municipal government property taxes at progressive rates that range from 0.35% to 1.5% and 1.5% to 5%, respectively. Regarding real estate, property values and tax bands are determined by each municipal government, thus real estate is taxed differently depending on its location.**
- **TAX ON INTEREST – NOT APPLICABLE.**
- **TAX ON DIVIDENDS – 12.5%**
- **VAT RATE – VAT is levied on the sale of movable goods and provision of services carried out within Bolivian territory at a rate of 13%, including definitive importations. Since this tax is included in the final price, the effective tax rate amounts to 14.94% (13%/87%).**