



Uruguay

Although Uruguay does not tax all income of its residents on a worldwide basis, certain investment income is taxed on a worldwide basis.

Current Trends

Uruguay has not committed to sign a Multilateral Competent Authority Agreement yet.

Uruguayan laws may need to be changed in order not to violate the secrecy to which tax and banking information is entitled, in order to comply with an automatic exchange of information.

- Uruguay has a general anti-avoidance rule, included in article 6 of the Tax Code, which establish that economic substance principle should apply.
- Uruguay has in force double taxation treaties with Hungary, Mexico, Germany, Spain, Switzerland, Ecuador, Liechtenstein, Portugal, Malta, Finland, India, Romania and South Korea. An additional tax treaty with Argentina contains a double taxation avoidance clause. Additionally, Uruguay has in force exchange of tax information treaties with Australia, Canada, Denmark, France, Greenland, Iceland, Faeroe Islands, Norway and Sweden.
- CFC rules apply to Uruguayan tax residents for Personal Income Tax purposes, causing income to be recognized personally when they realize passive income outside of Uruguay (derived from holding of investments, loans, etc., but not from the disposal of investments) through companies located in tax havens or low taxation jurisdictions.

Direct and Indirect Ownership of Investment Accounts

The CRS regime requires reporting of accounts held directly by the individual taxpayer and indirectly, through personal investment companies, trusts, or foundations.

Amnesty and Disclosure Regimes

None

Applicable Tax Transparency Regime		
US FATCA	n/a	The status of US negotiations with Uruguay regarding FATCA is unknown at this time
UK CDOT	n/a	
EUSD	n/a	
OECD CRS	✓	Uruguay intends to implement CRS reporting of 2016 account information, to be filed in 2017, and thereafter. Local laws require modification for implementation
Tax Treaty Information Exchange	✓	Reciprocal exchange of information between Uruguay and numerous other countries is permitted under various treaties, subject to conditions of Uruguay law

Other Tax-Related Considerations		
Voluntary Disclosure Program?	No	
Residents taxed on a worldwide basis?	No	Although Uruguay does not tax all income of residents on a worldwide basis, certain investment income is taxed on a worldwide basis. Income from controlled foreign corporations may also be taxed at shareholder level

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Note that all references to "resident," "residents" or "residence" is intended to be a reference to tax resident, tax residents or tax residence, under the applicable tax laws.