

Chile and United States Sign Exchange of Letters to Tax Treaty – Submitted to Chilean Parliament for Approval

27 October 2023

Report from IBFD Tax Treaties Unit

On 28 September 2023 and 6 October 2023, the United States and Chile, respectively, signed an exchange of letters to amend the not yet in force [Chile – United States Income and Capital Tax Treaty \(2010\)](#). The treaty was initially signed in Washington on 4 February 2010, and additional corrections and exchanges of notes were signed in 2011 and 2012 to amend it.

The amendments introduced by the 2023 exchange of letters concern the [reservations](#) made by the US Senate upon its consent of the treaty on 22 June 2023. The two reservations pertain to US Internal Revenue Code section 59A in relation to the treaty and the replacement of paragraph 1 of article 23 (Relief from Double Taxation) of the treaty. The reservations were made by the US Senate in light of changes in the US Internal Revenue Code since the signing of the Chile-US treaty, and they will be included in the instrument of ratification.

The Chilean Congress already approved the treaty in 2015, but it must be approved again following the incorporation of the amendments contained in the exchange of letters of 2023. The treaty including the new amendments was formally submitted to the Chilean Chamber of Deputies on 25 October 2023 for debate. Further developments will be reported as they occur.