
Chile

Local stock exchange

Bolsa de Comercio de Santiago

<http://www.bolsadesantiago.com/>

Rules for listed filings

IFRS required or permitted for listed companies?

Listed companies are required to use IFRS.

Version of IFRS

IFRS as published by the IASB except for banks and insurance companies. Banks use a special set of standards issued by the regulator of financial institutions (Superintendencia de Bancos e Instituciones Financieras - "SBIF") which is based on IFRS.

The main differences between SBIF's accounting standards and IFRS as published by the IASB are the bad debt allowance calculations and the disclosure schemes and comparative information.

Insurance companies also apply accounting standards issued by the regulator which differs from IFRS in certain matters and disclosures.

Are subsidiaries of foreign companies or foreign companies listed on local exchanges subject to different rules?

No

Rules for statutory filings

Is IFRS or IFRS for SMEs required, permitted or prohibited for statutory filings?

All companies must use the same GAAP for both filings to the stock regulator and for statutory purposes. See "Rules for listed filings."

Unlisted private companies must apply either IFRS or IFRS for SMEs from January 1, 2013 (local GAAP has been eliminated).

Version of IFRS

IFRS as published by the IASB

In addition to local GAAP statutory financial statements, are there any other regulatory financial statement requirements that permit or require the use of IFRS?

No

IFRS conversion plans

Plans for converging

Not applicable

Other useful websites

Superintendencia Valeres y Seguros
<http://www.svs.cl/>

Colegio de Contadores de Chile
<http://www.contach.cl/>

Tax information

Type of tax regime

Quasi-dependent: Taxable profit is principally based on the legal entity statutory accounts, with a number of adjustments provided in the tax law.

On September 29, 2014, Chile enacted Law No. 20,780 (the “Tax Reform Act”). The Tax Reform Act introduced changes to the corporate tax rate, mandating a gradual increase of the rate from 20% to 25% or 27% in certain cases, the rules regarding minimum capitalization, and the taxation of Chilean investments abroad (the controlled-foreign-corporation rules), among others. The new rules are set to come into effect gradually, with the implementation process having commenced on October 1, 2014 and set to be completed by January 1, 2018.

Comments on tax regime

Generally the computation of taxable profits is based on the statutory accounting profits with certain adjustments. The Chilean tax authority has declared that the adoption of IFRS for financial reporting purposes should have no direct impact on income taxes. Taxpayers should analyze and eliminate IFRS adjustments in computing taxable profits.