

June 29, 2021

LEGAL ALERT

Decree No. 997 establishes a new deferral for the VAT payment

On June 22, Supreme Decree No. 997 was published, which amends Decree No. 611 dated April 9, 2021, and establishes as a new tax relief measure the extension of the deadline to pay VAT to be declared or paid in the months of June, July, August and September 2021.

Taxpayers whose average operations declared before the Chilean IRS in the months of January, February and March 2021 have decreased by at least 20% with respect to the average operations declared in the same period in 2019 are eligible for this benefit.

The deferred VAT will be paid from October 2021 onwards in: (a) 12 equal and successive monthly installments in the case of companies that meet the requirements to qualify for the SME Regime; or (b) 6 equal and successive monthly installments in the case of the rest of the companies whose annual income does not exceed UF 350,000, including the income obtained by related entities.

The content of the Decree No. 997 can be reviewed by accessing [here](#).

Authors: Jessica Power; Manuel José Garcés; Manuel Alcalde