



July 6, 2020

LEGAL ALERT

Supreme Decree No. 1,043 which contains new tax measures is published

On July 3, Supreme Decree No. 1,043 of the Ministry of Finance was published, which amends two of the measures contained in Supreme Decree No. 420, dated March 30, 2020.

In particular, the new decree states the following:

- The deadline for paying VAT to be declared in the months of July, August and September 2020 is extended. Taxpayers whose average operations declared before the IRS in the months of April, May and June 2020 have decreased by at least 30% 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 2020 onwards in: (a) 12 equal and successive monthly installments in the case of SMEs; 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.

- Taxpayers who have reduced their taxable income by at least 30% from January to May 2020 in relation to the same period in 2019 are exempted from the obligation to make Monthly Provisional Payments for the months of July, August and September 2020.

The content of Supreme Decree No. 1,043 can be reviewed [here](#).

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