

Chile	
<b>When will I be taxed in relation to my plan benefits?</b>	<p><b>Award:</b> No income tax. No social security.</p> <p><b>Vesting:</b> Income tax and social security.</p> <p><b>Transfer to participant:</b> No income tax. No social security.</p> <p><b>Sale by participant:</b> Income tax on gain. No social security (because the capital gains are not labour income).</p>
<b>What is the maximum rate of income tax payable in relation to my plan benefits?</b>	40% (2025). Any change in tax rates usually affects income received from 1 January of the year following the enactment of the modification of the tax rate.
<b>Income tax rates</b>	Tax rates are progressive. Tax bands are expressed as Monthly Taxable Units (MTU) and are adjusted on a monthly basis. An MTU is equivalent to approximately USD68 (January 2025). Personal income up to MTU13.5 is exempt from tax and the maximum tax rate applies to monthly income above MTU310.
<b>Will my employer withhold income tax in relation to my plan benefits?</b>	Employer withholding only applies if the plan benefits are paid through local payroll or there is a recharge.
<b>Are my plan benefits subject to social security contributions?</b>	Employer and employee social security will only apply if the plan benefits are paid through local payroll or there is a recharge If social security is payable, the employer must withhold the employee contribution.
<b>Employee social security</b>	<p><b>Employee social security (max rate calculated over the employee's monthly remuneration):</b></p> <ul style="list-style-type: none"> <li>• pension fund contribution of 10% (plus fund management fees which currently vary between 0.49% and 1.44%);</li> <li>• health insurance contribution of 7%;</li> <li>• unemployment insurance of 0.6% in case of indefinite term employment contracts; and</li> <li>• heavy works contribution of 1% or 2% (if applicable).</li> </ul> <p><b>Employee social security (cap):</b> in all cases, the remuneration over which the deductions are made (calculation basis) is capped at a fixed amount expressed as <i>unidades de fomento</i> (UF) depending on the respective social security contribution. The UF is an index of the value of the Chilean peso, revised daily based on the variation of the Chilean consumer price index during the previous month, as determined by the Central Bank of Chile. The caps vary each year based on the increase of the Index of Real Remunerations, published by the National Statistics Institute.</p> <p>For 2025, the cap for pension fund, health insurance and heavy works contributions is UF874.8 (approximately USD3,366) and the cap for unemployment insurance is UF131.8 (approximately USD5,054).</p>
<b>What is the maximum rate of capital gains tax?</b>	<p>40%</p> <p>Capital gains derived from the sale of shares in a foreign company subject to First Category Tax (25% or 27%), and subsequently to Personal Income Tax (progressive rates up to 40%). The First Category Tax paid can be credited against the Personal Income Tax.</p>

<p><b>What is the maximum tax rate payable on dividends?</b></p>	<p>40%</p> <p>Foreign source dividends are subject to Personal Income Tax (progressive rates up to 40%).</p> <p>Taxpayers making investments or operations abroad must provide information on such operations to the Chilean Tax Authority (IRS). Specifically, a tax credit may be available for foreign taxes paid on dividends. To benefit from the foreign tax credit, the employee must comply with filing the annual sworn statement of foreign operations (Form No. 1929) or register the investment with the Foreign Investments Registry kept by the IRS. Failure to submit one of the filing reporting requirements is subject to a fine that ranges from approximately USD677 to USD6,768.</p>
<p><b>Do I have to report any income in relation to the plan to my local tax authority?</b></p>	<p>An individual may be required to file a return, as discussed below.</p> <p><b>Report name:</b></p> <ul style="list-style-type: none"> <li>• <b>Annual Tax Return (Tax Form No. 22):</b> the employee is required to file an annual tax return if they have received salaries from more than one employer or income from sources other than salary which are subject to Personal Income Tax;</li> <li>• <b>Monthly Tax Return (Form No. 50):</b> the employee is required to file a monthly return if the employee has received taxable income which has not been subject to income tax withholding by the employer, e.g. where there is no recharge to the local employer.</li> </ul> <p>Capital gains and dividends are reported in the Annual Tax Return. Capital gains tax may be considered to be sporadic income if the taxpayer does not have any other income subject to first category tax (Corporate Income Tax), in which case a monthly tax return must be filed in the month following the realisation of the capital gain.</p> <p>The returns are usually filed online and can be downloaded from the website <a href="#">here</a>.</p> <p><b>Tax period:</b> 1 January to 31 December.</p> <p><b>Reporting deadline:</b></p> <ul style="list-style-type: none"> <li>• the Annual Tax Return must be filed by 30 April in the year following the year when the income is obtained;</li> <li>• monthly returns (if required) must be filed within the first 12 days of the month following the month in which the income was obtained or the amounts were withheld.</li> </ul> <p><b>Payment of tax:</b> any unpaid income tax is due by the date of filing the relevant tax return.</p> <p><b>Foreign asset reporting:</b> the employee is required to issue a sworn statement listing any shares maintained abroad as well as foreign dividends and other foreign income (through Form No. 1929). This form is filed annually by 30 June. Employees may register the investment, in the Registry of Foreign Investments kept by the IRS, in order to be entitled to tax credits for any taxes paid abroad. However, if Form No. 1929 is filed, the employees are entitled to tax credit even if the registration is not performed.</p>

## Tax - Employee Notes - Free shares / RSUs



This summary assumes that you only pay tax in one place. Different rules may apply if you pay tax in different places.

This summary is only a guide. It is limited to a general description of national tax laws and does not address various issues which may impact the tax result, including: local, city, regional, state or other provincial taxes; retention and holding periods; restrictions on the shares; clawback terms and periods; and your own individual circumstances. We do not guarantee any particular tax result. Therefore, we recommend that you consult your own tax advisor regularly to determine your tax position.

The information provided is understood to be correct as of 14 February 2025. Changes in legislation or practice after this date may affect the tax treatment.

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