

# Legal Newsletter

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## April 2025

This newsletter contains the principal laws published, as well as decrees or general effect resolutions and regulations issued during the period. All of the above, in matters that may affect the various sectors where foreign investment is developed in Chile.

The information provided herein is for guidance purposes only and does not replace the information provided or interpretations made by the competent authorities on each matter.

# Noteworthy Decrees and Resolutions

APRIL 2025

Circular No. 31, of 2025, issued by the Chilean Internal Revenue Service (SII)

Provides instructions on the regulations incorporated in the Tax Code by Law No. 21.713 and Law No. 21.716, regarding anti-avoidance measures.

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**SUBJECT**

Tax

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**PUBLICATION DATE**

04-26-2025

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This act repeals Circular No. 65, of 2015, updating the Chilean Internal Revenue Service's (SII) institutional interpretation of the application of the General Anti-Avoidance Rules (GAAR), in the context of the regulations incorporated into the Tax Code by Law No. 21.713 and Law No. 21.716.

The main topics regulated by this circular include the following:

- Objective nature of tax avoidance: the analysis of the taxpayer's intentions is eliminated, focusing instead on the financial and legal effects of their actions.
- Audit period: the timeframe for the SII to review avoidance actions is extended to six years after the due date for payment.
- Higher fines: both the taxpayer and advisors who design avoidance schemes are subject to penalties of up to 250 UTM (monthly tax units).
- Procedures: a more detailed process is established for auditing, summons, and legal declaration of tax avoidance, including case consolidation and the use of jurisdictional equivalents to conclude judicial proceedings.
- Joint liability: if they breach their supervisory duties, the directors, representatives, or managers of legal entities involved in avoidance planning are deemed jointly liable.
- Effective date: the administrative sanctions provided for under the new regulations are applicable only to actions occurring from November 1, 2024 onward.

Circular No. 32, of 2025, issued by the Chilean Internal Revenue Service (SII) Consolidates and issues instructions regarding termination of business activity, incorporating the relevant amendments introduced to the Tax Code by Law No. 21.713.

## SUBJECT

Tax

## PUBLICATION DATE

04-26-2025

This circular issues updated instructions on the procedure for termination of business activity, in the context of the amendments introduced to article 69 of the Tax Code by Law No. 21.713. These guidelines aim to facilitate and clarify the steps taxpayers must follow when terminating their business activities.

Below are some of the main points addressed by the circular:

- Definition and objectives: the circular defines what is meant by “termination of business activity”, and outlines the objectives of this procedure.
- General procedure: the stages of the general procedure for termination of business activity are detailed, including notifying the Chilean Internal Revenue Service (SII), a review period by the SII, and certification of termination once tax payments have been verified. If the SII does not issue a response within the designated time frame, a “positive silence” rule applies and the termination is certified automatically.
- Simplified procedure: a simplified procedure is provided for taxpayers under the Pro-SME tax regime.
- Penalties: failure to notify the SII of termination of business activity may be penalized under article 97 of the Tax Code, depending on whether it affects tax assessment.
- Audit: the SII may issue summons, assess, and charge taxes if it detects that business activities have been terminated without prior notice.
- Legal presumption: if a taxpayer fails to file monthly tax returns for six consecutive periods, the SII may initiate actions to confirm the termination of business activity. If there is no response within six months, it is legally presumed that the business has been terminated. If there are no operations for 36 consecutive periods, the presumption applies automatically.

- Exporters: exporters must demonstrate that their export activity over the past 36 months matches the amount of tax refunded. Otherwise, they must repay their tax rebates.
- The following SII circulars are repealed, as applicable: 1. Chapter No. 1 and 2 (except for point 2.5) of Circular No. 66, of October 29, 1998; 2. Chapter No. 7 of Circular No. 30, of May 10, 2016; and 3. Section No. 3, letter B, Chapter VI of Circular No. 41, of 2021.
- Effective date: the amendments took effect on November 1, 2024.

Circular No. 33, of 2025, issued Issues instructions regarding the amendments introduced by Law by the Chilean Internal Revenue No. 21.713.  
Service (SII)

#### SUBJECT

Tax

#### PUBLICATION DATE

04-26-2025

This circular details the amendments introduced to the Tax Code by Law No. 21.713, focusing on the strengthening of penalties for tax non-compliance. The main points of the aforementioned law covered in this circular are as follows:

- Increase in penalties for tax crimes: prison sentences and fines applicable to tax crimes, such as tax fraud, are increased.
- New criminal offenses: the creation, sale, or facilitation of false tax documents is penalized. Additionally, the crime of authorizing electronic tax documents, in the knowledge that they will be used to defraud the Treasury, is introduced.
- Update of criminal offenses: the clandestine operation of business or industrial activity is redefined, penalizing any form of undeclared commercial activity, whether physical or online. The transportation of goods without tax documents is also classified as a crime, particularly if the goods are known to be fraudulent or subject to commercial restrictions.
- Digital penalties: the closure of establishments is extended to websites and digital platforms used for commercial activities. In cases of repeated offenses, the website domain or access to payment service providers may be suspended.
- Prohibition on the issuance of tax documents: during the closure period, taxpayers will be prohibited from issuing electronic or paper tax documents.

- Incorporation of section No. 27 in article 97: penalties are applied to individuals who, being aware of an administrative or judicial procedure against them, conduct activities or enter into contracts that reduce their assets or increase their liabilities with the intent of harming the tax administration.
- Modification of SII circulars: Circular No. 63, of 2001, and Circular No. 34, of 2022.
- Effective date: the amendments took effect on November 1, 2024, and will be applied retroactively if they benefit the offender.

Decree No. 44.131, of 2025, Introduces amendments to the decrees specified, in accordance issued by the Ministry of Energy with the provisions of Law No. 21.582.

<b>SUBJECT</b>	Energy
<b>PUBLICATION DATE</b>	04-23-2025

By supreme decree, the Ministry of Energy introduces amendments to the regulations on concessions in the gas and electricity sectors in order to align their content with the provisions of Law No. 21.582, which eliminates or modifies the requirement for notarial procedures in certain administrative processes.

In particular, this law amended, among others, the following laws:

- Gas Services Law: it introduces amendments to eliminate the requirement to formalize in a public deed the decree granting the public service concession for the distribution and transportation of gas.
- General Electricity Services Law: the requirement to formalize in a public deed various resolutions and decrees by the Superintendency of Electricity and Fuels for granting provisional and permanent electricity concessions is eliminated.

In this context, Supreme Decree No. 263, of 1995, issued by the Ministry of Economy, which approves the regulations on provisional and permanent concessions for the distribution and transportation of gas, is amended, as well as Supreme Decree No. 327, of 1997, issued by the Ministry of Economy, which approves the regulations for the General Electricity Services Law, in order to eliminate the requirement to formalize these administrative proceedings in a public deed within the framework of granting the respective concessions.