

# EXPATRIATES

## Peru

### Tax facts for International Assignees



#### INCOME TAX: WHO IS LIABLE

Peruvian domiciled individuals are taxable on their worldwide income and gains.

An assignee will be considered tax domiciled (and subject to tax on worldwide income) when they reach more than 183 calendar days of presence within the country in any “twelve month” period.

Non-domiciled individuals are taxable on their Peruvian source income. Non-domiciled condition is generally effective from January 1st of the very next year.

Domicile is automatically broken when:

- A worker leaves Peru under a Resident Visa;
- A worker leaves Peru under a one-year (or more) employment contract endorsed by the Peruvian Consulate (in the host country).

#### BREAKING RESIDENCY - EXIT PROCEDURES

As a general rule, when an individual has more than 183 days of presence outside of Peru within any 12-month period, domicile is broken.

There is no specific registration procedure to be followed by an expatriate for tax purposes. If they are non-domiciled when leaving the country, a Form 1494 should be submitted, in which the assignee declares to have properly complied and paid all taxes that they are liable for.

## INCOME TAX RATES

### Domiciled Individual Income Tax Rates

Taxable income	Tax (progressive & cumulative rates)
Until PEN 21,500 or US\$ 6,140 approx. (5 Tax Units*) There is a non-taxable bracket of 7 Tax Units**	8%
From S/ 21,000 to S/ 84,000 or US\$ 25,455 approx. (5 to 20 Tax Units)	14%
From S/ 84,000 to S/ 147,000 or US\$ 44,545 approx. (20 to 35 Tax Units)	17%
From S/ 147,000 to S/ 189,000 or US\$ 57,273 approx. (35 to 45 Tax Units)	20%
Over S/ 189,000 or US\$ 57,273 approx. (45 Tax Units)	30%

\* Tax Unit for 2022 = PEN 4,600 = US\$1,180 approx.

\*\* Deduction of 3 extra Tax Units can be applicable under certain conditions

### Domiciled Individual Capital Income Tax Rates

Taxable income	Tax rate
Rental income	5%
Capital gains (including real state property sale)	5% as Effective Rate (6.25% x 80% Gross Income)
Dividends	5% (when they are received from a company domiciled in Peru)

### Non-Domiciled Individual Income Tax Rates

Taxable income	Tax rate
US \$1 and over	30%

### Non-Domiciled Individual Capital Income Tax Rates

Taxable income	Tax rate
Rental income	5%
Capital gains	5%
Income from real estate property sale	30% on sales outside Peruvian stock market
Dividends	5%
	5% if they are received from a company domiciled in Peru

## SOCIAL CONTRIBUTIONS

### Superannuation (voluntary contribution inasmuch employee is not in Peruvian payroll)

Taxable income	Tax rate
Public National Pension System(Common Fund under Government Administration)	13%
Private Pension System (Individual Fund under administration of Private Pension Fund Management Companies - AFP)	Approx. 13% (including pension contribution and AFP's commission)

### Health Insurance

Taxable income	Tax rate
Individual gross wage to be paid by employer. It's not withheld	9%

\* Applicable on remuneration amount

For further information and to register for future updates contact [expat@bdo.global](mailto:expat@bdo.global)

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