



## Bolivia

<b>General</b>	Types of indirect taxes (VAT/GST and other indirect taxes).	VAT.
	Are there other indirect taxes?	<ul style="list-style-type: none"> <li>— An excise tax: <i>impuesto al consumo específico</i> (ICE).</li> <li>— A direct tax on hydrocarbons: <i>impuesto directo a los hidrocarburos</i> (IDH).</li> </ul>
	What are the standard or other rates (i.e. reduced rate) for VAT/GST and other indirect taxes?	<p><b>VAT</b></p> <p>Standard rate: 13%* (effective rate 14.94%).</p> <p>Exemptions:</p> <p>0% on exports. VAT paid in export-related purchases or expenses may be recovered through tax refund requests.</p> <p>For VAT-excluded or exempt transactions, VAT on expenses or purchases related to VAT-exempt income may not be computed or recovered in these instances:</p> <ul style="list-style-type: none"> <li>— financing transactions generating interest income</li> <li>— purchase and sales of shares, debentures, securities and credit title transactions</li> <li>— sales or transfers resulting from reorganizations</li> <li>— capital contributions</li> <li>— imports made by country accredited diplomats</li> <li>— life insurance premiums</li> <li>— book imports and sales</li> <li>— the sales into Bolivia (internal market) of minerals and metals, in the first commercialization phase performed by mining cooperatives</li> <li>— goods that introduce 'bonafide'</li> <li>— activities produced and diffused by Bolivian artists</li> <li>— others based on specific laws.</li> </ul> <p><b>ICE</b></p> <p>Cigarettes and tobacco are taxed at the ad valorem rates ranging from 50% to 55%. Motor vehicles are taxed from 0% to 80%.</p> <p>Alcoholic beverages are subject to a lump sum tax per liter. An additional 0% to 10% tax on the sale price of some types of beverages is levied.</p>

\* The VAT (IVA) is an integral part of the good or service price; the actual computable rate net of VAT is 14.94%. Invoices do not show VAT separately. To compute the good or service total price, the 14.94% VAT should be included in the price.

<b>General (continued)</b>		<p>Not subject to ICE:</p> <ul style="list-style-type: none"> <li>— imports made by country accredited diplomats</li> <li>— taxed goods destined for export</li> <li>— vehicles which transport up to 18 people (including the driver), for example a van or a bus</li> <li>— vehicles build and equipped for health services except if diesel powered.</li> </ul>
	Who is required to register for VAT/GST and other indirect taxes?	<p><b>VAT</b> Those persons, organizations and corporations that regularly sell goods, render services or undergo definitive imports and rentals.</p> <p><b>ICE</b> Individuals, organizations and corporations that produce or import drinks, alcoholic beverages, cigarettes and vehicles. It applies to products sold by their producers (e.g. the first sale) and to importers of such goods.</p>
<b>VAT/GST registration</b>	Is voluntary registration for VAT/GST and other indirect taxes possible for an overseas company (e.g. if the annual turnover is below the relevant VAT/GST and other indirect taxes registration threshold)?	Registered companies must be domiciled in Bolivia. A foreign company cannot voluntarily register for VAT if it does not have a permanent establishment in Bolivia.
	Does an overseas company need to appoint a fiscal representative?	Not applicable.
	Which forms and supporting documentation does an overseas company need to submit for VAT/GST and other indirect tax registrations?	Not applicable.
	Is grouping** for VAT/GST and other indirect taxes possible?	No.
<b>VAT/GST compliance</b>	How frequently are VAT/GST and other indirect tax returns submitted?	<ul style="list-style-type: none"> <li>— VAT: monthly.</li> <li>— ICE: monthly.</li> <li>— IDH: monthly.</li> </ul>
	What are the exchange rate rules in your country?	There is a floating exchange rate. The Central Bank of Bolivia regulates and provides the exchange rates.
<b>VAT/GST recovery</b>	Can an overseas company recover VAT/GST and other indirect taxes if it is not registered for VAT/GST and other indirect taxes locally?	No.
	Are there any exemptions with the right to recover or deduct input VAT?	VAT paid on export-related purchases or expenses may be recovered through a tax refund request.
	Are there any restrictions to the deduction of input VAT?	VAT on expenses or purchases related to VAT-exempt income may not be recovered.
<b>Invoices</b>	Is a business required to issue tax invoices?	Yes.
	Is it possible/mandatory to issue invoices electronically?	Yes.
	Is it possible for the vendor to issue an invoice, i.e. is self-billing possible?	No.

\*\* By 'grouping', we mean either: a consolidation mechanism between taxpayers belonging to the same group (payment and refund are compensated but taxpayers remain distinct) or a fiction for VAT/GST purposes (several taxpayers are regarded as a single taxpayer).

<b>Audits</b>	Do tax audits take place on a regular basis?	Yes, at the discretion of the tax authority.
	Are audits done electronically in your country (e-audit)? If so, what system is in use?	Yes, in the Integrated Tax Administration System II (SIRAT II).
	What penalties can arise from non-compliance?	Tax evasion is a penal offense. There are also penalties, interest charges and exchange rate adjustments.
<b>Special indirect tax rules</b>	Are there any special rules for the sale of a company by one taxpayer to another where VAT is not due on the sale?	Yes, in general, the sale of shares or capital and any other company reorganization is not subject to VAT. If a company sells its assets and liabilities (without involving a transfer of shares or capital), assets and liabilities might be subject to VAT.
	Are there unique specific indirect tax rules that you would not expect to find in 'standard' VAT jurisdictions?	Yes, in Bolivia, VAT is included in the price and not shown separately.
	Does a reverse charge mechanism apply for goods or services?	No.
	Are there indirect tax incentives available (e.g. reduced rates, tax holidays)?	Goods exports and international road transport have a 0% tax rate with right of recovery.
<b>Rulings</b>	Are rulings and decisions issued by the tax authorities publicly available?	Yes, they can be found at <a href="http://www.ait.gob.bo/busquedaresoluciones.aspx">www.ait.gob.bo/busquedaresoluciones.aspx</a> .