

# InvestChile

AGENCIA DE PROMOCIÓN DE LA INVERSIÓN EXTRANJERA

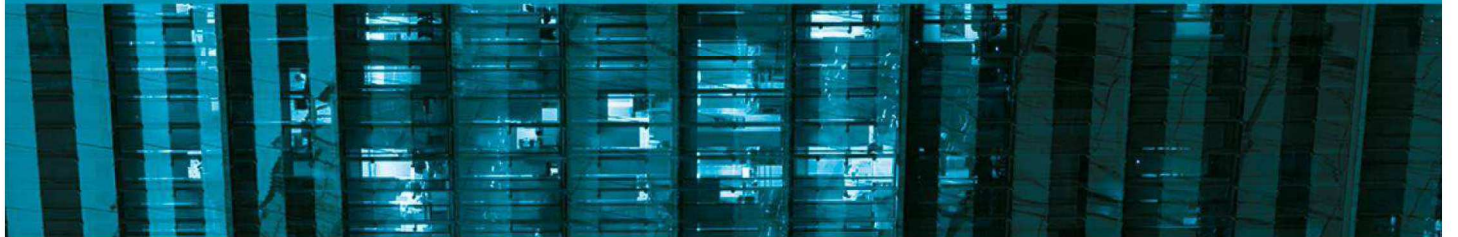
Ministerio de  
Economía,  
Fomento y  
Turismo

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# Programmes and Incentives

# 1. Programmes and Incentives for Investments

## \* Smart specialization through strategic investments.

### Strategic Investment Fund (FIE)



- **us\$1bio** next 3 years
- Investments targeting to:
  - Diversify production,
  - Higher value add Prod.
  - Increase productivity.
  - Promote high potential sectors.

Funding up to **70% of the cost of feasibility studies (max of us\$280m)** for investment projects over US\$2mm

Articulate and consolidate different support programmes.  
**Funding up to 30%** of high technology investment projects with a maximum of **us\$5mm**.

## \* Complementary programmes.

### Suppliers development programmes (PDP)

Support projects aiming to improve the quality and productivity of suppliers. Funding US\$97m per year for diagnosis and implementation.

### Training Programme for Competitiveness (PFC)

Support projects closing gaps in labour skills in the workforce for specific subsectors through diagnosis of gaps in human capital and the development and certification of competences.



## 2. Programmes and Incentives for the creation of investment funds

### FC: Development and Growth Fund

- Finance and develop **small and medium Chilean companies with high growth potential in expansion stages.**
- Credit lines up to a maximum of **US\$18mm** equal to up to **100%** of the investments paid and committed to the Fund **(1:1)**.

### FT: Early Stage Fund

- Finance and develop **small and medium early-phase** Chilean companies with **high potential for growth and innovation.**
- Credit lines up to a maximum of **US\$14 mm** equal ling up to **200%** of the investments paid and committed to the Fund **(2:1)**.

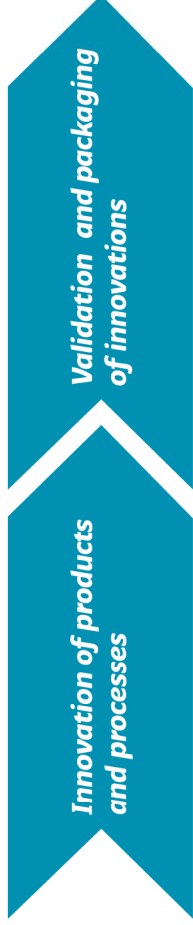
### FET: Early Stage Technology Fund

- Finance and develop Chilean companies at **early stage of development with high growth and innovative potential in sectors linked to technology**
- Credit lines up to a maximum of **US\$12mm** equal ling up to **300%** of the investments paid and committed to the Fund **(3:1)**.



## 3. Programmes and Incentives for innovation

### \* Business Technological Innovation Programme



Grant of up to **US\$100m** for R&D Initiatives, test developments, experimentation, process improving, design and construction of prototypes, etc.

Grant of up to **US\$320m** for development Initiatives related to prototype adjustment , validation, testing, scale-up and standardisations.

### \* R & D Law

- Tax incentives for investment in research and development (R & D).
- **35%** (of the investment in R&D) **tax credit** on corporate income tax. (Max. US\$1.2mm).
- **65%** (of the investment in R&D) as **necessary expenses** to be deducted from income tax.
- Complementary to other programs and subsidies.

### \* Technological Contracts

- Promote linkages and collaboration among firms and enterprises knowledge providers, contributing to solve problems through contracts for technological innovation.
- Up to US\$320m subsidies on contracts for technological innovation projects.



## 4. Programmes and Incentives for innovation and Entrepreneurship

### \* START-UP CHILE

- Began in 2010 as an initiative to increase the critical mass of entrepreneurs in Chile.
- Three openings per year., with approximately 80 winners average.
- Direct web application through the [www.startupchile.org](http://www.startupchile.org)
- 6 months duration programme.

Up to **\$33,000** USD Per team

**\$41,000** USD If you go to a region (Different from Santiago)

Up to **\$100,000** USD Scale Fund

**ST>RT-UPCHILE**  
experience



## 5. Programmes and Incentives for Investments in remote territories

The benefits are focused on the regions of Arica and Parinacota (XV) in the far north and Aysén (XI), Magallanes (XII), and the province of Palena in the region of Los Lagos (X) in the south.

### Tax Credit

- The tax credit is **deductible from the corporate tax** of companies making **investments in fixed assets**.
- For investments carried out in the far north the tax credit is **30% of the amount invested** (In Parinacota and for touristic investments in Arica is 40%). In the far south **tax credit is variable (30% to 10%)**, and depends on the amount invested.

### Employment Bonus

- Is a fixed monthly amount **payable to employers for every worker hired** under a labor agreement.
- The monthly amount of the bonus is approx. **US\$ 55 for each worker**.
- Workers with **part-time labor agreements may also benefit** their employer with the bonus, which is calculated proportionally.

### Decree Law N° 15

- Is a bonus **payable to productive investments from small and medium investors** with annual gross sales not exceeding US\$ 1.6 million.
- The bonus is **20% of the amount of the investment** and cannot exceed US\$ 1.9 million.
- The **bonus is not compatible with any other fiscal benefit** granted with respect to the same assets acquired as part of the investment project.



### \* Complementary programmes.

#### Support programme for Productive Investment Reactivation (IPRO)

Funding up-to 30% of productive investment or services projects with a maximum of US\$48,000 from national, private or foreign companies.

#### Exemption from VAT (IVA) for foreign tourists in hotels

Revenue received from non-resident foreign tourists in foreign currency by hotels registered with the National Tax Agency (SII) are freed from Value Added Tax.



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