



May 31, 2023

The Honorable Bob Menendez  
Chairman  
Committee on Foreign Relations  
United States Senate  
Washington, DC 20510

The Honorable Jim Risch  
Ranking Member  
Committee on Foreign Relations  
United States Senate  
Washington, DC 20510

Dear Chairman Menendez and Ranking Member Risch:

The U.S. Chamber of Commerce strongly supports the U.S.-Chile Income Tax Treaty (“Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income and Capital”) and urges the Committee to support its prompt ratification.

Approval of this treaty has become an urgent priority for U.S. companies doing business in Chile. Due to changes in Chilean tax legislation enacted in 2014, corporate tax rates in Chile have increased. Without a ratified treaty to avoid double taxation, U.S. companies with Chilean operations will face an aggregate effective tax rate of up to 44.45%. However, companies headquartered in the two dozen European, Asian, and Western Hemisphere countries with which Chile already has income tax treaties in force will benefit from much lower rates and would thus secure a significant competitive advantage over their U.S.-based competitors. Senate action is required to spare U.S. workers and companies this unfair treatment.

Ratification of this treaty would also benefit a growing number of Chilean companies that are keen to increase their investments in the United States. These investments have the potential to create thousands of good jobs.

The Chamber urges the Committee to advance this treaty expeditiously.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil L. Bradley".

Neil L. Bradley  
Executive Vice President,  
Chief Policy Officer, and Head of Strategic Advocacy  
U.S. Chamber of Commerce

cc: Members of the Senate Committee on Foreign Relations