Argentina

Transfer Pricing Country Profile

July 2021

		SUMMARY	REFERENCE
The Arm's Length Principle			
1	**Does your domestic legislation or regulation make reference to the Arm's Length Principle?**	☒ **Yes** ☐ **No**	Articles 9, 16 and 17, 106, 126, 127, Income Tax Law No. 20,628 t.o. 2019 and its amendments (hereinafter ITL).
2	**What is the role of the OECD Transfer Pricing Guidelines under your domestic legislation?**	Under Argentina's legislation, the OECD Transfer Pricing Guidelines (TPG) are seen as recommendations or guidelines which may serve as source of interpretation.	
3	**Does your domestic legislation or regulation provide a definition of related parties? If so, please provide the definition contained under your domestic law or regulation.**	☒ **Yes** ☐ **No** Article 18 of the ITL provides that: *"For the purposes set forth in this law, the relationship will be configured when an entity and individual or legal entities or other types of entities or establishments, trusts or equivalent figures, with whom that entity carry out transactions, are directly or indirectly subject to the management or control of the same individuals or legal entities or, for their participation in the capital, their degree of credit, their functional influences or any other, contractual or not, have the decision-making power to guide or define the activity or activities of the mentioned companies, establishments or other types of entities."* This Article is further regulated by Article 14 of the Regulatory Decree 862 t.o 2019, and Article 3 GR N° 4717, which say that: *"... it will be understood that there is a relationship when, among others, any of the following assumptions is verified:* *a) ONE (1) subject owns all or a majority of the capital of another.*	Article 18, ITL. Article 14, Decree 862 t.o 2019. Article 3, GR N° 4717/2020 and its amendments.

		b) TWO (2) or more subjects have alternatively: *i. ONE (1) subject in common as total or majority owner of its capital.* *ii. ONE (1) subject in common that has total or majority participation in the capital of ONE (1) or more subjects and significant influence in ONE (1) or more of the other subjects.* *iii. ONE (1) subject in common who has significant influence over them simultaneously.* *c) ONE (1) subject has the necessary votes to form the corporate will or prevail in the shareholders or partners' meeting of another.* *d) TWO (2) or more subjects have directors, officers or common administrators.* *e) ONE (1) subject enjoys exclusivity as an agent, distributor or concessionaire for the sale of goods, services or rights, by another.* *f) ONE (1) subject provides another with the technological property or technical knowledge that constitutes the basis of its activities, on which the latter conducts its business.* *g) ONE (1) subject participates with another in associations without legal existence as legal persons, among others, condominiums, temporary unions, collaborative groups or any other type of associative contracts, through which they exercise significant influence in the determination of prices.* *h) ONE (1) subject agrees with another, contractual clauses that assume the character of preferential in relation to those granted to third parties in similar circumstances, such as discounts for negotiated volumes, financing of transactions or delivery on consignment, among others.* *i) ONE (1) subject significantly participates in setting business policies, among others, the supply of raw materials, production and / or marketing of another.* *j) ONE (1) subject develops an activity of importance only in relation to another, or its existence is justified only in relation to another, verifying situations such as relationships of the sole or main supplier or client, among others.* *It will be considered that relationships of the sole or main supplier or client are configured in the case of international commercial transactions of such meaning that its definitive or temporary absence could affect the continuity of the activity or the existence of the local subject or its related person from abroad.* *k) ONE (1) subject substantially provides the funds required for the development of the commercial activities of another, among other ways, through the granting of loans or the granting of guarantees of any kind, in the cases of financing provided by a third.* *l) ONE (1) subject is responsible for the losses or expenses of another.* *m) The directors, officers, administrators of a subject receive instructions or act*	

		in the interest of another. *n) There are agreements, circumstances or situations by which the management is granted to a subject whose participation in the capital stock is a minority."*	
Transfer Pricing Methods			
4	**Does your domestic legislation provide for transfer pricing methods to be used in respect of transactions between related parties?**	☒ **Yes** ☐ **No** If affirmative, please check those provided for in your legislation**:** CUP: ☒ | Resale Price: ☒ | Cost Plus: ☒ | TNMM: ☒ | Profit Split: ☒ | Other (*If so, please describe*): ☒ **Other method**: According to Article 17, fifth paragraph, ITL, Article 29 of Decree. No. 862/2019 and Articles 34 and 35 of GR No. 4,717/2020 and its amendments. Other methods may apply to specific transactions (when the special circumstances of the transaction prevent the valuation of its assets, risks or functions). e.g. in the case of the transfer of valuable and unique intangible assets, specific assets or rights difficult to assimilate to other assets on the market, in the transfer of share or participation in the capital of companies that are not listed on the stock market or financial assets that do not have comparable contributions or transactions with or between independent parties, or in the case of the investment in unique assets that don't have comparable and whose activation only produces average results through the amortization of such assets. It should be justified, from a technical and economic perspective, the need to use any of other methods and, if the application of any of the above methods is not appropriate due to the nature and characteristics of the activities, to the extent that the other method applied represents a better option and adequate documentation should be provided.	Article 17, fifth paragraph, ITL. Article 29, Decree No. 862/2019. Articles 30 to 35 of the General Resolution (GR) No. 4,717/2020 (AFIP) and its amendments (hereinafter GR No. 4,717/2020).
5	**Which criterion is used in your jurisdiction for the application of transfer pricing methods?**	Please check all that apply: ☐ Hierarchy of methods ☒ Most appropriate method ☐ Other (*if so, please explain*)	Article 17, fifth paragraph, ITL. Article 29, 30 and 31, Decree No. 862/2019. Article 35, GR N° 4,717/2020

		It will be understood as the most appropriate method to the type of transaction, the one that best reflects the economic reality of it. To this end, it will be considered -among others-, the method that: a) has better compatibility with the business and commercial structure. b) has the best quality and quantity of information available for its adequate justification and application. c) considers the most appropriate degree of comparability of linked and unrelated transactions, and of the companies involved in said comparison. d) requires the lowest level of adjustments to eliminate the differences between the facts and situations compared. The comparable price method (CUP) between independent parties will be considered the most appropriate to value the transactions of commodities goods, either by reference to comparable uncontrolled transactions or by reference to the indices, coefficients, or market values of goods. Besides that, in case of applying other methods, the taxpayer must justify, from a technical and economic perspective, the chosen method. This technique must be described in detail as well as the reasons for its choice, and the advantages and disadvantages that allow its correctness and suitability to be analyzed, which guarantee that the transactions to be evaluated respond to the principle of an independent operator.	
6	**If your domestic legislation or regulations contain specific guidance on commodity transactions, indicate which of the following approaches is followed.**	☐ For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed. ☒ Domestic legislation mandates the use of a specific method for controlled transactions involving commodities (*if so, please explain*) ☐Other (*if so, please explain*) In a commodity export transaction where an intermediary takes part of it in accordance with the conditions defined in the seventh paragraph of Article 17, ITL, it is mandatory to register the contract, if not, or if the information in the contract were found to be insufficient, or not consistent with the procedure, Argentine source income of export will be determined taking into account the value of the good on the day of the cargo of the goods - whatever the means of transport - including any comparability adjustments that may correspond, without regard to the price at which it would have been agreed with the international intermediary. An intermediary is a foreign subject who buys and sells the exported or imported merchandise to mediate its commercialization, without having physical possession of it.	Article 17, seventh paragraph, ITL. Articles 43, 44, 46 to 54 Decree No. 862/2019. Article 8, 24 and 40, RG 4717/2020 GR No. 4653/2019 and RG No. 4837/2020.

		The obligation to register the commodity export contract applies to all commodities export transactions carried out with related or independent parties, with the participation of intermediaries or not. The GR (AFIP) N° 4653/2019 and GR (AFIP) N° 4837/2020 define the mandatory conditions for the registration of contracts for exports of agricultural commodities and non-agricultural, respectively.	
Comparability Analysis			
7	**Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?**	☒ **Yes** ☐ **No** The legislation follows the guidance in Article 17 of the ITL and its amendments, and Articles 30 to 34 of the Decree No. 862/2019. Accordingly, transactions will be considered comparable when there are no differences that significantly affect prices, amounts of considerations or profit margins and if so, where appropriate, such differences are eliminated by virtue of reasonable and justifiable adjustments enabling a substantial degree of comparability shall be considered comparable. The evaluation of transactions between related parties must be carried out individually, transaction by transaction, evaluating the performances made and the conditions surrounding its execution.	Article 17, ITL. Articles 30 to 34, Decree No. 862/2019. Article 4 to 6, GR N° 4717/2020
8	**Is there a preference in your jurisdiction for domestic comparables over foreign comparables?**	☒ **Yes** ☐ **No** Domestic comparables, if they exist, should be considered as a priority in the analysis, to the extent that there are no significant differences between the comparable elements of the sample or that, if they exist, they do not affect the conditions analyzed, or adjustments can be made that allow their elimination and optimize the comparison.	Article 38, Decree No. 862/2019.
9	**Does your tax administration use secret comparables for transfer pricing assessment purposes?**	☐ **Yes** ☒ **No**	
10	**Does your legislation allow or require the use of an arm's length range and/or statistical measure for determining**	☒ **Yes** ☐ **No**	Article 17, ITL. Article 42, Decree No. 862/2019.

	arm's length remuneration?	For cases of transactions between related parties or with those located in non-cooperative jurisdictions or jurisdictions with low or no taxation, where there are two or more comparable transactions, calculations based on the median and the interquartile range of prices or profit margins should be applied.	Article 29, GR No. 4,717/2020.
11	**Are comparability adjustments required under your domestic legislation or regulations?**	☒ **Yes** ☐ **No** The analyzed transactions will be considered comparable if there are no differences that affect the price, profit margin or the amount of the consideration referred to in the methods established by law and when, as the case may be, such differences are eliminated from adjustments that allow a substantial degree of comparability. The law states the elements or circumstances to be taken into account for this purpose.	Article 17 ITL. Article 30, 40 and 41, Decree No. 862/2019. Articles 6, 8 and 25, GR No. 4717/2020.
Intangible Property			
12	**Does your domestic legislation or regulations contain guidance specific to the pricing of controlled transactions involving intangibles?**	☒ **Yes** ☐ **No** When the local taxpayer contributes to the value chain of an intangible asset of which he is not the owner, pays or not royalties for its use, it should establish the form of remuneration that remunerates the development of functions, the control or use of assets or the assumption of risks that affect such contribution of value. If the local taxpayer paid royalties or remuneration of any kind for the use of intangibles in which they had a stake in their development or improvement, it must be justified that the amount of those and the transaction corresponds to the operator's principle independent. When R&D or similar activities are evaluated, the market value of the contribution to the development or improvement of intangible assets must be estimated from a functional analysis that allows identifying and evaluating the risks involved and the magnitude and degree of importance of the activities exercised by the local taxpayer. In relation to R&D carried out by local taxpayer under contract, it will be evaluated whether the local taxpayer participates in strategic decision-making, monitoring of research and development activities, use of tangible and intangible assets or controls risks, to which purposes of determining the market remuneration that would correspond to the local taxpayer and the possible contribution of the that to the value chain of the intangible asset.	Article 17, ITL. Article 29, 32 and 34 Decree No. 862/2019. Article 20 to 23 and 34, GR 4717/2020.

13	**Does your domestic legislation or regulation provide for transfer pricing rules or special measures regarding hard to value intangibles (HTVI)?**	☐ **Yes** ☒ **No** There is no definition in our legislation of the concept of HTVI and neither has the approach proposed by the OECD in Chapter VI of the Transfer Pricing Guidelines been adopted. However, in the current General Resolution 4717 from 2020 regarding the Transfer Pricing regime, it is mentioned that taxpayers are allowed to use other methods and techniques of justification that respect the arm's length principle when the special circumstances of the transaction prevent the valuation of their assets, risks or functions based on the arm's length methods. The rules specified in Q12 would be applicable for HTVI.	Article 17, ITL. Article 29, 32 and 34, Decree No. 862/2019. Articles 20 to 23 and 34, GR No. 4717/2020. HTVI Implementation Questionnaire
14	**Are there any other rules outside transfer pricing rules that are relevant for the tax treatment of transactions involving intangibles?**	☒ **Yes** ☐ **No** Only eighty percent (80%) of the remuneration paid for the exploitation of trademarks and patents to foreign entities will be deductible. This limitation shall apply to both independent companies and related companies and in accordance with the provisions of article 17 ITL, on the normal market price between independent parties. It is forbidden to deduct the amortization of goodwill, brands and similar assets, but it is admissible to deduct expenses on intangible assets that due to their characteristics have a limited duration (patents, concessions and similar assets). In the case of the sale of intangible goods produced by the seller, the computable cost will be given by the amount of the expenses incurred (updated from the date of realization to the date of sale) to obtain them if they have not been tax deducted. Recipients of royalties residing in the country (human persons and undivided estates) may deduce 25% of the sums received for such concept, when they originate from the definitive transfer of assets, until the recovery of the invested capital. When the royalties originate in the temporary transfer of goods that suffer wear or depletion, the deduction of the amount will be allowed. Deductions will be applicable if the costs and expenses are incurred in the country. In the case of costs incurred abroad, the only deduction for all concepts allowed is for 40% of the royalties. All this applies if the royalties are not obtained through entities included in article 53 ITL in subsections b), c) d) and e) and in the last paragraph of article 53 or of companies or sole proprietorships that belong to them. These regulations are not applied to beneficiaries who	Article 64 and 92, items h) and m), ITL Articles 209, 210, 213, 220 and 229, Decree No. 862/2019.

		habitually carry out activities aimed at obtaining assets that produce royalties. The application of the transfer pricing regulations may not imply the recognition of deductions not provided in the ITL. In this sense, it may not be considered that the price or amount of the consideration of a transaction will be less than that agreed in the case of sales or income, or higher in the case of purchases or expenses.	
Intra-group Services			
15	**Does your domestic legislation or regulations provide guidance specific to intra-group services transactions?**	☒ **Yes** ☐ **No** In the provision of services, elements such as their nature and scope, the need for their provision for the policyholder of the service or services, the conduct of the parties, the terms of the provision and that the service has been provided or is expected to provide a benefit or economic value to the entity that pays it, as well as whether or not they involve industrial, commercial or scientific experiences, technical assistance or, the transfer or assignment of intangibles are considered.	Article 17, ITL. Article 32, 35 and 36 Decree No. 862/2019 Article 12, GR No. 4717/2020.
16	**Do you have any simplified approach for low value-adding intra-group services?**	☐ **Yes** ☒ **No**	Article 15, GR No. 4717/2020.
17	**Are there any other rules outside transfer pricing rules that are relevant for the tax treatment of transactions involving services?**	☐ **Yes** ☒ **No**	
Financial transactions			
18	**[NEW] Does your domestic legislation or regulations provide guidance specific to financial transactions?**	☒ **Yes** ☐ **No** In the comparability analysis of financial transactions several elements that reflect the economic transactions and those that influence them should be taken into account, such as the amount of capital or loan, currency in which the transaction was carried out, repayment term and scheme, guarantees, debtor's solvency, effective repayment capacity, interest rate, amount of commissions,	Article 32, point a) 1.Decree No. 862/2019 Articles 4, 13 to 19, GR No. 4717/2020

		administrative charges and any other payment or charge, accreditation or, where appropriate, debit that is made or practiced by virtue of these. The analysis of comparability of transactions, either individually or by business lines, will be performed on the basis of the transactions carried out according to the activity of the subject, for which purpose the commercial and financial relationships between the parties involved and the determining conditions of the transactions being compared must be taken into account, considering the nature of the transactions, the conduct of the parties and the agreements between them, considering the elements, conditions or circumstances that reflect to a greater extent of the economic reality of such transactions and those that influence them in view of the set of economic linkages. Also, it must be accredited if the provider of the financial benefit has sufficient economic and financial capacity to grant it and to assume control over the associated risks, and that if the receiver has the financial capacity to pay the capital and interest in the agreed maturities. When the comparability analysis is affected by the group's implicit support for the borrowing company, in such a way that it creates difficulties in reliably evaluating the controlled transactions, the group's credit rating may be used to determine the price of the financial benefit. The rate associated with the rating will be taken as a reference value to set the market price if the information to be supplied is not available. Implicit support is all actions between related companies aimed at achieving an improvement in the credit risk profile of related companies. The improvement in the credit quality of the company derived from its sole membership in a group of companies, and in the absence of a specific documented guarantee, will not be considered for the purpose of obtaining remuneration from the related party. Regarding the participation in cash pooling funds, or centralized financing, the need for it and the origin of the excess cash must be justified and the financial transactions will be considered intricately linked. A debt rate higher than the rate obtained as a fund provider in the same type of transactions between related companies will not be considered appropriately justified. When it refers to hedging transactions with financial derivatives that involve underlying assets, the appropriateness of analyzing them intricately linked with other transactions must be evaluated.	
19	**[NEW] Are there any other rules outside transfer pricing rules that are relevant for the tax treatment of financial transactions?**	☒ **Yes** ☐ **No** In the case of subjects included in article 53 ITL, the interests of financial debts contracted with related parties residents or not in the country will be deductible	Article 52 and 85 ITL. Article 125, 190 to 200 Decree No. 862/2019

		from the tax balance, not being able to exceed such deduction the annual amount established by the National Government (ARS 1 000 000), or the equivalent of 30% of the net profit for the year that results before deducting both the interests referred to in this paragraph and the amortizations provided for in ITL, whichever is greater. The surplus that has accumulated in the 3 immediate previous fiscal years may be added, as the amount of interest effectively deducted with respect to the applicable limit, to the extent that said surplus had not been previously applied in accordance with the procedure provided in this paragraph. The interests that could not have been deducted, may be added to those corresponding to the 5 immediately following fiscal years, remaining subject to the limitation mechanism provided therein. Interest on financial debts, their respective updates and the expenses arising from their constitution, renewal and cancellation will be deductible if these charges respond to the independent operator principle. When the taxpayer owns different assets and part of them produce profits that should be exempt for taxation purposes, the corresponding interest to those profits should be adjusted in the calculation of the deduction. These limitations shall not apply in the following cases: 1. for financial entities (Law No. 21,526), for financial trusts constituted in accordance with the Civil and Commercial Code of the Nation (CCCN) and for companies whose main purpose is to enter in leasing contracts under terms established by the CCCN and, secondarily, exclusively carry out financial activities 2. for the amount of interest that does not exceed the amount of active interest 3. when the relationship between the interests subject to the limitation and the net profit referred to there, is less than or equal to the ratio that, in that fiscal year tax, the group to which the subject belongs, owns by liabilities contracted with independent creditors and its net profit, determined in a manner analogous to the provisions therein; or 4. When the beneficiary of the interests had effectively paid the tax with respect to such income. The regulations may determine the inapplicability of the limitation when the type of activity carried out by the subject justifies it. In case of profits for interests, when the interest rate is not expressly determined, for tax purposes it is presumed unless proven otherwise, that all debts (be it the consequence of a loan, sale of real estate, accrues) is not lower than that set by the Argentinian National Bank for trade discounts, except that corresponding to	

		debts with the legal update, in which case those that are currently in place for this type of transactions will be applicable.	
Cost Contribution Agreements			
20	**Does your jurisdiction have legislation or regulations on cost contribution agreements?**	☐ **Yes** ☒ **No** Based on Argentinian case law the use of the OECD TPG for interpretation and guidance in the absence of a specific regulation is accepted.	
Transfer Pricing Documentation			
21	**Does your legislation or regulations require the taxpayer to prepare transfer pricing documentation?**	☒ **Yes** ☐ **No** *If affirmative, please check all that apply:* ☒ Master file consistent with Annex I to Chapter V of the TPG ☒ Local file consistent with Annex II to Chapter V of the TPG ☒ Country-by-country report consistent with Annex III to Chapter V of the TPG ☒ Specific transfer pricing returns (separate or annexed to the tax return) ☐ Other (*specify*):	Article 17, ITL. Article 55, Decree No. 862/2019. Country by Country Report (CBCR): GR No. 4130-E (amended by GR 4,332/2018) Master file (MF): Articles 45 and 46, Annex II GR No. 4717/2020 (amendment by GR 4733/2020 and 4759/2020). Local file (LF): Articles 43 and 44, Annex I GR No. 4717/2020. Specific transfer pricing return: F. 2668 Articles 47 to 49 GR No 4717/2020
22	**Please briefly explain the relevant requirements related to filing of transfer pricing documentation** *(i.e. timing for preparation or submission, languages, etc.)*	**Local file** (LF, called Transfer Pricing Study) should be presented annually, in Spanish, due up to six months after the closing date of the fiscal year to be reported. **Tax return** (F. 2668) should be presented annually, in Spanish, due up to six months after the closing date of the fiscal year to be reported. **Country by Country Report (CBCR)** F.8097: annual presentation in Spanish due up to one year after the closing date of the fiscal year to be reported that corresponds to the Ultimate Parent Company -UPE-. F.8096 (Notification 1): Annual presentation due up to the third month after the closing date of the fiscal year to be reported that corresponds to the UPE. This	Article 17, ITL. Article 55, Decree No. 862/2019. Country by Country Report: GR No. 4130-E (amended by GR 4,332/2018) Master file: Articles 45 and 46 and 51, Annex II GR No. 4717/2020 (amendment by GR 4733/2020, 4759/2020 and 5010/2021). Local file: Articles 7, 12, 21, 24, 39, 43,44 and 50, Annex I GR No. 4717/2020.

		obligation applies to all entities resident in the country that belong to MNE Groups. (F. s/N) Notification 2: Annual presentation due up the second month immediately following the expiration date for the submission of the CBCR, informing the presentation of the said report in a jurisdiction abroad. This obligation applies to entities resident in the country that belongs to MNE Groups, which is obliged to submit a CBCR and made that presentation of the CBCR in a jurisdiction different from Argentina. **Master file (MF)**: annual presentation in Spanish, due to up to one year after the closing date of the fiscal year to be reported. This obligation applies to taxpayers who operate with related parties and belong to a Group (stated in point 2 Annex I, GR N° 4130/2017), when: a) the total consolidated annual income of the group exceeds ARS 4 000 000 000 in the fiscal year prior to that of the filing (threshold applicable for Fiscal Years ending on or after 31/12/20. Previous to that date the threshold was ARS 2 000 million); and b) the transactions carried out with related parties abroad exceed, as a whole, in the fiscal period the amount equivalent to ARS 3 000 000 or individually of ARS 300 000. In the event that there are no modifications in the period to be reported with respect to the information included in the last Master Report submitted, the obliged parties may choose to submit, in its place, a sworn statement ratifying the information provided in the last Master Report submitted, together with the financial statements (applicable for Fiscal Years ending on or after 31/12/2020).	Specific transfer pricing return: Articles 47 to 50 GR No 47 17/2020
23	**Does your legislation provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?**	☒ **Yes** ☐ **No** For non-filing or late filing of transfer pricing return, the taxpayer may be fined ARS 10 000 and up to ARS 20 000. In addition to the penalties above, where the Federal Tax Authority has served a demand to file the transfer pricing return, a penalty of ARS 45 000 is imposed, for each failure to comply. In the case of taxpayers with gross revenue above ARS 10 million after a third demand to file, an additional penalty of up to ARS 450 000 may be imposed. If an omission is detected, the taxpayer will fall within an increased category of risk of being monitored. Furthermore, the non-filing, or late or inexact filing of the information related to	Article 57; GR No. 4717/2020. Article 38.1 (incorporated after Article 38) and Article 39, 39.1 and article 39.1.05 of the Tax Procedure Law 11,683 t.o. in 1998 and its amendments. GR No. 3985 – Risk Evaluation System (‘*Sistema de Percepción de Riesgo’*- SIPER). Country by Country Report: Article 15, GR No. 4130-E

		the membership of a local taxpayer to a multinational group will be fined with ARS 80 000 up to ARS 200 000 (Notifications, CBC regime); the non-filing or late filing of the CBCR (F.8097) or the filing of false information will be fined with a penalty between ARS 600 000 to ARS 900 000; for non-compliance with a requirement made by the Tax Authority, a penalty between ARS 180 000 to ARS 300 000 will be imposed.	
24	**If your legislation provides for exemption from transfer pricing documentation obligations, please explain.**	**Local file:** Certain documentation referring to transactions with intermediaries should not be kept when the transactions do not exceed ARS 30 000 000 in total in the fiscal period. The subjects obliged to present LF will have to maintain the supporting documentation of the analysed transactions, according to the parameters established in article 44 of the GR No. 4717/2020 and its amendments. The minimum thresholds for relieving the obligation to present the Transfer Pricing Local Study are the following: 1. Transactions with related parties abroad: When the total amount of these transactions in the fiscal period is less or equal than ARS 3 000 000, or each transaction individually considered is less than ARS 300 000 (applicable for fiscal years ending on or after 31/12/2020. Previous to that date: Transactions with related parties abroad: a) When the total amount of these transactions are less or equal than ARS 30 million; b) When the local entity is a member of an MNE group that is obliged to present the CBCR-whatever the jurisdiction of presentation is-, and the total of these transactions in the fiscal period is less or equal to ARS 3 000 000 or, for each transaction considered individually, ARS 300 000). 2. Transactions with subjects located in non-cooperating jurisdictions or with low or no taxation: when the total of these transactions in the fiscal period is less or equal to the amount of ARS 3 000 000 or, individually considered, ARS 300 000. **Master file:** Entities that: a) Belong to MNE groups with total consolidated group revenues that are less than ARS 4 000 million, in the year before the presentation (amount applicable for fiscal years ending on or after 31/12/2020. Previous to that date the threshold was ARS 2 000 million); and b) the transactions made with related subjects from abroad do not, as a whole, exceed in the fiscal period the amount of ARS 3 000 000, or, individually considering each transaction do not exceed ARS 300 000 are exempted from the filing obligation. **Country by Country Report (F.8097):** MNE groups with total consolidated group revenues that are less than EUR750 million are exempted from the filing obligation.	Country by Country Report: GR No. 4130-E (amendment by GR 4332). Master file: Article 45, GR No. 4717/2020 (amendment by GR No. 4733, and GR No. 5010/2021). Local File: Articles 39 to 41 and 44, GR No. 4717/2020, amended by GR No. 5010/2021).

Administrative Approaches to Avoiding and Resolving Disputes			
25	**Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?**	Please check those that apply: ☒ Rulings ☐ Enhanced engagement programs ☐ Advance Pricing Agreements (APA) ☐ Unilateral APAs ☐ Bilateral APAs ☐ Multilateral APAs ☒ Mutual Agreement Procedures ☐ Other (*please specify*): Advance Pricing Agreements (APA) and Mutual Agreement Procedures (MAP) are legislated in Article 217 and Articles 207 to 216, in that order, of the Tax Procedure Law 11,683 t.o. in 1998 and its amendments. APAs have not been regulated yet by decree nor by an administrative resolution, so there is not a current APA programme in place at date and it is not yet defined the duration of an APA or whether rollback is allowed. Mutual Agreement Procedures are operative according to each bilateral international agreement. For further information, please refer to Argentina`s Dispute Resolution Profile (MAP Profile).	Articles 205 to 217, Tax Procedure Law 11,683 t.o. in 1998 and its amendments. GR No. 4497/2019. Argentina's MAP Profile
Safe Harbours and Other Simplification Measures			
26	**Does your jurisdiction have rules on safe harbours in respect of certain industries, types of taxpayers, or types of transactions?**	☐ **Yes** ☒ **No**	
27	**Does your jurisdiction have any other simplification measures not listed in this questionnaire? If so, please**	☒ **Yes** ☐ **No**	GR No. 5010/2021

	provide a brief explanation.	RG 5010/2021 established a Simplified Regime for International Transactions (Form 2672) aimed at facilitating the filing of transfer pricing documentation by low-risk taxpayers that comply with certain conditions. The entities obliged to file the Master File, or those belonging to an MNE Group that is obliged to file the CBC Report, regardless of the country in which it is required to do so, cannot apply such Simplified Regime. The Simplified Regime is applicable for fiscal years ending on or after 31 December 2020.	
Other Legislative Aspects or Administrative Procedures			
28	**Does your jurisdiction allow/require taxpayers to make year-end adjustments?**	☒ **Yes** ☐ **No** Should the application of the transfer pricing methodology show that the prices, profit margins or compensations have not been agreed at arm's length, a tax adjustment for transfer pricing must be computed in the income tax annual return.	
29	**Does your jurisdiction make secondary adjustments?**	☐ **Yes** ☒ **No**	
Attribution of Profits to Permanent Establishments			
30	**[NEW] Does your jurisdiction follow the Authorised OECD Approaches for the attribution of profits to PEs (AOA)?**	☒ **Yes** During the development of the BEPS Action Plan, Argentina negotiated and / or signed Treaties, Amendment Treaties or Protocols that receive the guidelines set forth in action 7 of BEPS and in the MLI. The new approach is contained in four tax treaties signed, that are in forth, in the last few years: Chile, Brasil (Protocol), Mexico and Qatar. Argentina signed the Multilateral Convention to apply measures related to Tax Treaties to Prevent the Erosion of Taxable Bases and the Transfer of Benefits (MLI) in June 2017, but its approval is pending. Argentina expressed its willingness that the clause provided for in art. 12 of the MLI applies to all the CDIs included, except for the CDI with Chile, which already contained a similar rule.	Article 22, ITL. Article 58 to 64, Decree No. 862/2019.

		The new approach for PE was also included in 2017 in the domestic legislation (Article 22 ITL), in which the definition of qualifications on a PE is described insofar as they are auxiliary or preparatory in nature, in accordance with the action.	
		☐ **No** There are seventeen (17) tax treaties in forth that Argentina subscribed which do not contain the approaches of Action 7 BEPS.	
31	**[NEW] Does your jurisdiction follow also another approach?**	☐ **Yes** ☒ **No**	
Other Relevant Information			
32	**Other legislative aspects or administrative procedures regarding transfer pricing**	N/A	
33	**Other relevant information** (e.g. *whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire*)	Argentina's Transfer Pricing regulation (GR N° 4717/2020) has been recently updated to limit the possibility of considering comparable transactions and subjects reflecting operating losses (both before and after the application of comparability adjustments), except when it has been objectively and thoroughly justified that such losses are a characteristic of the business, due to market, industry or other comparability criteria and it is clearly demonstrated that the conditions leading to the loss are not the result of factors affecting comparability. Due to COVID-19 pandemic and to consider the difficulties involved in using comparables of prior fiscal years, for fiscal years ending between 31/12/2020 and 31/12/2021, transitory dispositions have been put in place, providing: a) a three months extension of the deadline for submitting local transfer pricing documentation; and b) a recommendation to use financial information from comparables of the same period as the year under analysis, in accordance with recommendations issued in relation to transfer pricing and COVID-19 at the "International Operations" Internet site.	Artícle 6 GR N° 4717/2020 (amendment by GR 4733/2020, GR 4759/2020 and GR 5010/2021). Articles 10 and 11 GR 5010/2021 "International Operations" microsite at http://www.afip.gob.ar

For more information, please visit: https://oe.cd/transfer-pricing-country-profiles