

Peru

Transfer Pricing Country Profile¹

October 2025

		SUMMARY	REFERENCE
The Arm's Length Principle			
1	Does your domestic transfer pricing framework ² make reference to the arm's length principle?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Article 32, paragraph 4) of the Income Tax Law establishes that the market value for transactions between related parties, or made from, towards, or through non-cooperative or low or null taxation countries or jurisdictions, or for transactions made with persons whose income, revenues or gains arising from such transactions are subject to a preferential tax regime, shall be the prices and amount of considerations that would have been agreed with or between independent parties in comparable transactions, under the same or similar conditions.	Income Tax Law, Chapter V , Article 32, paragraph 4
2	Does your domestic transfer pricing framework give the OECD Transfer Pricing Guidelines any role or status (e.g. legal binding effect, subsidiary	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Income Tax Law, Chapter V , Article 32-A, subsection h)

¹ Information in transfer pricing country profiles is provided directly by jurisdictions. By publishing the transfer pricing country profiles on the OECD website, the OECD does not certify the accurateness of the information provided therein. Importantly, transfer pricing country profiles published on the OECD website are made available to stakeholders for information purposes only, and are not intended to be used in substitution to a jurisdiction's legal instruments, jurisprudence, or administrative guidance or practice nor relied on as an accurate and complete description of domestic law.

² For purposes of transfer pricing country profiles, the term "domestic transfer pricing framework" refers to a jurisdiction's domestic legislation, regulations, administrative guidance or practice, jurisprudence or governing general principles in the jurisdiction.

	application in the absence of domestic legislation, source of interpretation of domestic legislation and/or treaty provisions, other)?	According to Article 32-A, subsection h) of the Income Tax Law, the OECD Transfer Pricing Guidelines (TPG) are used as a source of interpretation, provided that they do not oppose the provisions approved by that law.	
3	Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Article 32-A, subsection b) of the Income Tax Law establishes that two or more persons, companies or entities are considered to be related parties when one of them participates directly or indirectly in the management, control or capital of the other; or when the same person or group of persons participate directly or indirectly in the management, control or capital of several persons, companies or entities.</p> <p>Likewise, there is a related party relationship when the transaction is carried out using intermediaries whose purpose is to conceal a transaction between related parties.</p> <p>Article 32-A, subsection b) also states that the Income Tax Law Regulation shall indicate the cases in which the parties are deemed to be related. According to that, Article 24 of the Income Tax Law Regulation establishes that two or more persons, companies or entities are deemed to be related parties, when any of the following situations occur:</p> <ol style="list-style-type: none"> 1. A natural or legal person owns more than thirty percent (30%) of the capital of another legal person, directly or through a third party. 2. More than thirty percent (30%) of the capital of two (2) or more legal persons belongs to the same natural or legal person, directly or through a third party. 3. In any of the previous situations, when the indicated percentage of capital belongs to spouses or to natural persons related up to the second degree of consanguinity or affinity. 4. The capital of two (2) or more legal persons is owned, in more than thirty percent (30%), by common partners. 5. Legal persons or entities have one or more directors, managers, administrators or other common executives who have decision-making power in the financial, operational and /or commercial agreements that are adopted. 6. Two or more natural or legal persons consolidate financial statements. 	<p>Income Tax Law, Chapter V, Article 32-A, subsection b)</p> <p>Income Tax Law Regulation, Chapter VI, Article 24</p>

	<p>7. There is a business collaboration contract with independent accounting, in which case the contract will be considered related to those contracting parties that participate, directly or through a third party, in more than thirty percent (30%) of the contract equity or when any of the contracting parties have decision-making power in the financial, commercial or operational agreements adopted for the development of the contract, in which case the contracting party exercising the decision-making power is considered related to the contract.</p> <p>8. In the case of a business collaboration contract without independent accounting, the related party relationship between each of the parties of the contract and the counterparty must be verified individually, applying one of the related party criteria established in this article.</p> <p>It is understood that the counterparty is the natural or legal person with whom the parties of the contract celebrate any transaction, in order to attain the object of the contract.</p> <p>9. There is a partnership agreement (<i>contrato de asociación en participación</i>), in which one of the associates, directly or indirectly, participates in more than thirty percent (30%) in the profits or benefits of one or more businesses of the partner, in which case it is considered that there is a related party relationship between the partner and each one of its associates.</p> <p>A related party relationship will also be considered to exist when any of the associates has decision-making power in the financial, commercial or operational aspects of one or more of the businesses of the partner.</p> <p>10. A non-resident company has one or more permanent establishments in the country, in which case there will be a related party relationship between the non-resident company and each of its permanent establishments and among all of them with each other.</p> <p>11. A resident company has one or more permanent establishments abroad, in which case there will be a related party relationship between the resident company and each of its permanent establishments.</p> <p>12. A natural or legal person exercises a dominant influence over the decisions of the management bodies of one or more legal persons or entities. In such a situation, the legal persons or entities influenced shall be considered related to each other and to the natural or legal person exercising that influence.</p> <p>It is understood that a natural or legal person exercises a dominant influence when, in the adoption of the agreement, they exercise or control the absolute majority of votes for decision-making in the management bodies of the legal person or entity.</p>	
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		<p>In the case of decisions related to the matters mentioned in Article 126 of the General Companies Law, there will be a dominant influence of the natural or legal person who, participating in the adoption of the agreement, either by itself or with the intervention of third party votes, has at the time of voting the highest number of subscribed shares with voting rights, provided that it has at least ten percent (10%) of the subscribed shares with voting rights.</p> <p>The treatment of related parties will also be granted when a resident person, company or entity carries out, in the previous taxable year, eighty percent (80%) or more of its sales of goods, provision of services or another type of transactions, with a resident person, company or entity, or with resident persons, companies or entities, related to each other, provided that such transactions, in turn, represent at least thirty percent (30%) of the purchases or acquisitions of the other party in the same period. For companies that have activities for periods greater than three taxable years, such percentages shall be calculated taking into account the average percentage of sales or purchases, as the case may be, made in the three immediate previous taxable years. The provisions of this paragraph shall not apply to the transactions carried out by the companies who conduct the Government Business Activity, in which the Government participation is greater than fifty percent (50%) of the capital.</p> <p>A related party relationship, according to any of the criteria established in this article, shall also exist when the transaction is carried out using interposed persons or entities, whether resident or not, for the purpose of concealing a transaction between related parties.</p> <p>The “related party relationship” will be configured and governed according to the following rules:</p> <p>a) In the cases mentioned in 1) to 11) when the criterion has been met. Once the related party relationship has been configured, it will be in force from that moment until the end of the taxable year, unless the criterion has ceased prior to that date, in which case the related party relationship will be considered configured only until this latter period.</p> <p>b) In the case mentioned in 12), from the date of adoption of the agreement until the end of the following taxable year.</p> <p>c) In the case referred to in the second paragraph of Article 24 of the Income Tax Law Regulation, the percentages of sales, provision of services or other types of transactions, as well as the percentages of purchases or acquisitions, shall be verified at the end of each taxable year. Once the related party relationship has been configured, it will apply for the entire following year.</p>	
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Transfer Pricing Methods

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Does your domestic transfer pricing framework 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)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

According to Article 32-A, subsection e) of the Income Tax Law, the prices of transactions subject to the scope of applications of transfer pricing rules shall be determined in accordance with any of the following internationally accepted methods, for which purpose the one that is most appropriate to reflect the economic reality of the transaction shall be considered:

(1) Comparable uncontrolled price method (CUP)

This method determines the arm's length price of goods and services between related parties considering the price or the amount of the considerations that would have been agreed with or between independent parties in comparable transactions.

Commodities are addressed by this method. For further details, see our answer to Question No. 6.

(2) Resale price method

This method determines the arm's length acquisition price of goods and services, incurred by a buyer in relation to its related party, which are then resold to an independent party, by multiplying the resale price established by the buyer by the result that comes of decreasing, from one unit, the gross profit margin usually obtained by the aforementioned buyer in comparable transactions with independent parties or the margin that is usually obtained in comparable transactions between independent parties.

The buyer's gross profit margin shall be calculated by dividing gross profit by the net sales.

[Income Tax Law, Chapter V](#), Article 32-A, subsection e)

		<p>(3) Cost plus method</p> <p>This method determines the arm's length price of goods and services that a supplier transfers to its related party by multiplying the cost incurred by such supplier, by the result obtained from adding to the unit the added cost margin that such supplier usually obtains in comparable transactions with independent parties or the margin usually obtained in comparable transactions between independent parties.</p> <p>The added cost margin shall be calculated by dividing the gross profit by the sales cost.</p> <p>(4) Profit method</p> <p>This method determines the arm's length price of goods and services through the distribution of the global profits, which comes from the sum of partial profits obtained in each of the transactions between related parties, in the proportion that would have been distributed with or between unrelated parties, taking into account, among others, the sales, expenses, costs, risks assumed, assets involved and the functions performed by the related parties.</p> <p>(5) Residual Profit Split Method</p> <p>This method determines the arm's length price of goods and services, according to the rules established in 4), but distributing the overall profit as follows:</p> <ul style="list-style-type: none"> i. The minimum profit corresponding to each related party shall be determined by applying any of the methods mentioned in this section, without taking into account the use of significant intangibles. ii. The residual profit will be determined by subtracting the minimum profit from the global profits. The residual profit will be distributed between the related parties, taking into account, among other elements, the significant intangibles used by each of them, in the proportion that would have been distributed with or between independent parties. <p>(6) Transactional Net Margin Method (TNMM)</p> <p>It consists in determining the profit that would have been obtained by independent parties in comparable transactions, taking into account profitability factors based on variables such as assets, sales, expenses, costs, cash flows, among others.</p>	
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	<p>Exceptionally if the application of any of the above methods is not appropriate due to the nature and characteristics of the activities and transactions, other methods may be applied, in accordance with the provisions of the regulations.</p> <p>(7) Other Methods (*)</p> <p>7.1 When, due to the nature and circumstances of the activities or transactions, or due to the lack of reliable comparable uncontrolled transactions, the methods set out in 1) to 6) are not applicable, other methods may be used, provided that their application meets the following conditions:</p> <p>(i) The prices and amounts of the considerations established correspond to the value that would have been agreed upon with or between independent parties under the same or similar conditions.</p> <p>(ii) The alternative method used proves to be the most appropriate for reflecting the economic reality of the transaction.</p> <p>7.2 In the determination of the arm's length price by using other methods, the following rules apply:</p> <p>a) For shares or participations representing capital that are not listed on the Stock Exchange or in any centralized trading mechanism, the following methods may be used, among others:</p> <ul style="list-style-type: none"> (i) The discounted cash flow method. (ii) The method of multiples. (iii) The equity value method. (iv) Appraisal. <p>b) For transactions other than those mentioned in a), the following methods may be used, among others:</p> <ul style="list-style-type: none"> (i) The discounted cash flow method. (ii) The method of multiples. (iii) The equity value method. (iv) Appraisal. (v) Multiperiod Excess Earnings Method (MPEEM). <p>(*) The regulation of these provisions is pending as of October 2025.</p>	
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5	Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?	<p>Please check all that apply:</p> <p><input type="checkbox"/> Hierarchy of methods</p> <p><input checked="" type="checkbox"/> Most appropriate method</p> <p><input type="checkbox"/> Other (<i>if so, please explain</i>)</p> <hr/> <p>According to Article 32-A, subsection e) of the Income Tax Law, the prices of the transactions subject to the scope of application of transfer pricing rules shall be determined according to the most appropriate method to reflect the economic reality of the transaction.</p> <p>In this line, Article 113 of the Income Tax Law Regulation refers to the following criteria to establish the most appropriate transfer pricing method:</p> <p>i) Compatibility with the business activity or the corporate or commercial structure of the company or entity,</p> <p>ii) The availability of the best quality and quantity of information allowing a proper application and justification,</p> <p>iii) The most appropriate degree of comparability between parties, transactions and functions, and</p> <p>iv) The lower level of adjustment needed to eliminate the existing differences between facts and comparable situations.</p>	<p>Income Tax Law, Chapter V, Article 32-A, subsection e)</p> <p>Income Tax Law Regulation, Chapter XIX, Article 113</p>
6	Does your domestic transfer pricing framework contain specific guidance on commodity transactions?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed.</p> <p><input checked="" type="checkbox"/> Domestic transfer pricing framework provides for the use of a specific method for controlled transactions involving commodities (<i>if so, please explain</i>)</p> <p><input type="checkbox"/> No</p> <hr/> <p>According to Article 32-A, subsection e), paragraph 1) of the Income Tax Law, which develops the Comparable uncontrolled price method (CUP), in the case of export or import of goods with known quotation values in international markets, whether local or destination, , including derivative financial instruments markets, the arm's length price shall be determined based on such quotation value.</p>	<p>Income Tax Law, Chapter V, Article 32-A, subsection e), paragraph 1</p> <p>Income Tax Law Regulation, Chapter XIX, Article 113-A</p>

		<p>For such purposes, the date of the quotation value is the agreed quotation date or period that the taxpayer communicates to the Tax Administration, provided that it is in accordance with what independent parties have agreed under the same or similar conditions.</p> <p>If the aforementioned communication is not submitted or is submitted untimely or incomplete or contains information that not in accordance with the agreement, the date of the quotation value will be considered the date of the shipment of the exported goods. In the case of imported goods, the date of the quotation value will be considered the end of the unloading.</p>	
Comparability Analysis			
7	Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Peru largely follows the guidance on comparability analysis outlined in Chapter III of the TPG.	Income Tax Law, Chapter V , Article 32-A, subsection d) Income Tax Law Regulation, Chapter XIX , Articles 110 to 115
8	Is there a preference in your jurisdiction for domestic comparables over foreign comparables?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No According to Article 32-A, subsection d) of the Income Tax Law, when for the purpose of determining comparable transactions, local information is not available, taxpayers may use information from foreign companies and should make the necessary adjustments to reflect the market differences.	Income Tax Law, Chapter V , Article 32-A, subsection d) (third paragraph)
9	Does your domestic transfer pricing framework permit the use of secret comparables for transfer pricing assessment purposes?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No According to Article 62, paragraph 18 of the Tax Code, the taxpayer can have access to the information of the unrelated third parties used as comparable by SUNAT**. That information will not contain the number of RUC*** nor the name of the taxpayer, in accordance with tax confidentiality provisions. ** SUNAT: National Superintendence of Customs and Tax Administration of Peru. *** RUC: Taxpayer Identification Number in Peru.	Tax Code, Book II, Title II, Chapter II , Article 62, paragraph 18

10	Does your domestic transfer pricing framework allow or require the use of an arm's length range and/or statistical measure (e.g. the interquartile range or other percentiles) for determining arm's length remuneration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Article 114 of the Income Tax Law Regulation establishes that, where there are two or more comparable transactions a range of prices, amount of considerations or profit margins must be obtained, in order to determine the price, amount of considerations or profit margins that would have been used between unrelated parties, in comparable transactions and resulting from the application of any of the methods indicated in the Income Tax Law. .</p> <p>To determine the abovementioned range, the interquartile method and the median calculation shall be used, in accordance with Article 115 of the Income Tax Law Regulation.</p>	Income Tax Law Regulation, Chapter XIX , Articles 114 and 115
11	Are comparability adjustments required under your domestic transfer pricing framework?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p><i>Explanation:</i></p> <p>The domestic regulation states that, in order to eliminate differences, through reasonable adjustments, between the transactions that are compared or between the characteristics of the parties involved in those transactions or the functions that they perform, the following elements, among others, should be taken into consideration as applicable:</p> <ul style="list-style-type: none"> - Payment period; - Negotiated amounts; - Marketing and publicity; - Cost of intermediation; - Conditioning, freight and insurance; - Physical and content nature in the case of goods, services or rights. 	Income Tax Law, Chapter V , Article 32-A, subsection d) Income Tax Law Regulation, Chapter XIX , Article 111
Intangible Property			
12	Does your domestic transfer pricing framework contain guidance specific	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VI of the TPG?	Income Tax Law Regulation, Chapter XIX , Article 110, paragraph 1, subsection d)

	to the pricing of controlled transactions involving intangibles?	<div> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No </div> <div> <p>The Income Tax Regulation establishes that in order to determine whether the transactions are comparable in accordance with the provisions of the Income Tax Law, the nature of the transaction and the method to be applied must be taken into account, as well as the following elements or circumstances:</p> <p>1. The characteristics of the transactions:</p> <p>(...)</p> <p>d) In the case of definitive assignment or use of intangible assets, elements such as:</p> <p>(i) The contractual form of the transaction: License, franchise or definitive assignment;</p> <p>(ii) The intangible identification (intellectual property or industrial property rights) as well as the description of any method, program, procedure, system, study or other type of technology transfer;</p> <p>(iii) The contract duration;</p> <p>(iv) The degree of protection and benefits expected to be gained from its use (future earnings value);</p> <p>(v) The way in which the obligations will be performed.</p> </div>	
13	Are there any other rules outside your transfer pricing framework that are relevant for the pricing of controlled transactions involving intangibles?	<div> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div>	

Hard-to-Value Intangibles ³			
14	Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)? ⁴	<input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG? <input type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input checked="" type="checkbox"/> No	
Intra-group Services			
23	Does your domestic transfer pricing framework provide guidance specific to intra-group services transactions?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VII of the TPG? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Income Tax Law, Chapter V , Article 32-A, subsection i)
	<p>The Income Tax Law establishes that the taxpayer must comply with the benefit test and provide the requested documentation and information, as necessary conditions for the deduction of the cost or expense.</p> <p>It is understood that the benefit test is met when the service provides economic or commercial value for the recipient of the service, improving or maintaining its commercial position, which occurs if independent parties would have satisfied the need for the service, executing it by themselves or through a third party.</p> <p>The documentation and information provided must evidence the effective provision of the service, the nature of the service, the actual need for the service, the costs and expenses incurred by the service provider, as well as the reasonable allocation criteria.</p> <p>In case of changing the allocation criteria, the taxpayer must justify the reason and/or need for such a change.</p>		

³ Please note that questions in this section are imported from the HTVI questionnaire and integrated into this TPCP to centralise all jurisdiction-related transfer pricing information.

⁴ In the case of jurisdictions that do not apply the HTVI approach (i.e. they responded “no” to question 14), it is not necessary to respond to the remaining questions in the HTVI section and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

		<p>The deduction of the cost or expense for the service received is determined on the basis of the sum of the costs and expenses incurred by the service provider as well as its profit margin, which cannot exceed (5%) of such costs and expenses</p> <p>Low value-added services are considered to be those that meet the following characteristics:</p> <p>(i) they are of an auxiliary or support nature;</p> <p>(ii) they do not constitute main activities of the taxpayer or the multinational group, as applicable;</p> <p>(iii) they do not require the use of unique and valuable intangibles, nor do they lead to the creation of unique and valuable intangibles; and</p> <p>(iv) they do not involve assuming or controlling a high or significant level of risk, nor do they generate a significant level of risk for the service provider.</p>	
24	<p>Does your domestic transfer pricing framework provide for or allow the application of a simplified approach for low value-adding intra-group services?</p>	<p><input type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p> <p>As previously explained, in the case of low value-adding intra-group services, Article 32-A, subsection i) of the Income Tax Law and Article 118-A of the Income Tax Law Regulation establish a limit on the deduction of the cost or expense for the service received, which should be determined on the basis of the sum of the costs and expenses incurred by the service provider as well as its profit margin, which cannot exceed (5%) of such costs and expenses.</p> <p>The amount that exceeds such a limit is not deductible as a cost or an expense.</p> <p>It is important to mention that this rule entails a limit that only applies to the user of the service (since it is only applicable for the deduction of the cost or expense) and not for the income of the service provider.</p>	<p>Income Tax Law, Chapter V, Article 32-A, subsection i)</p> <p>Income Tax Law Regulation, Chapter XIX, Article 118-A</p>
25	<p>Are there any other rules outside your transfer pricing framework for pricing intragroup services?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p>Income Tax Law, Chapter VI, Article 41 (last paragraph)</p>

		Article 41 establishes that, in the case of imported goods, commissions recognized to related entities that have acted as intermediaries in the purchase transaction will not be included in the depreciable value, unless the effective provision of the services is verified, and the commission does not exceed that which would usually have been recognized to third parties independent of the acquirer.	
Financial Transactions			
26	Does your domestic transfer pricing framework provide guidance specific to financial transactions?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter X of the TPG? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Income Tax Law Regulation, Chapter XIX , Article 110, paragraph 1, subsection a)
		Article 110, paragraph 1), subsection a) of the Income Tax Law Regulation, establishes that for the purpose of determining whether financial transactions are comparable, the nature of the operation and the method to be applied will be taken into account, as well as the following characteristics of the transactions: i) The principal amount, ii) Term or period for amortization, iii) Guarantees, iv) Debtor creditworthiness, v) Interest rate, vi) Fees amount, vii) Risk rating, viii) Country of residence of the debtor, ix) Currency, x) Date, and xi) Any other payment or fee related to those transactions.	
27	Are there any other rules outside your transfer pricing framework that are relevant for the tax treatment of financial transactions? <i>(e.g. whether your jurisdiction has implemented the measures in BEPS Action 4 to limit interest deductions and other financial payments or any similar rules)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The recommendations of Action 4 were incorporated in Article 37, subsection a) of the Income Tax Law through Legislative Decree N° 1424 which entered into force as of January 1 st , 2021. According to Article 37(a) of the Income Tax Law: (i) Net interest is not deductible in the part that exceeds 30% of the EBITDA of the previous year. For this purpose, net interest is the amount of interest expenses that exceeds the amount of interest income, computable to determine net income; and;	Income Tax Law, Chapter VI , Article 37 subsection a) Income Tax Law Regulation, Chapter VI , Article 21°, subsection a) UIT (Peruvian Tax Unit)

		<p>(ii) The net interest that cannot be deducted in the fiscal year because it exceeds the aforementioned limit, may be added to those corresponding to the 4 immediately following fiscal years.</p> <p>The limit on interest deduction is applicable to interest derived from debts and expenses arising from their constitution, renewal or cancellation, provided that they have been incurred to acquire goods or services related to obtaining or producing taxable income in the country or to maintain its production source.</p> <p>It is important to point out that the limit on interest deduction is applicable to operations between independent and related parties. However, the limit does not apply to companies of the financial and insurance system, taxpayers whose net profits in the taxable year do not exceed 2,500 UIT (****), taxpayers that develop public infrastructure or public services projects, among other exceptions.</p> <p>(****) UIT = Peruvian Tax Unit. For 2025, the UIT is equal to PEN 5,350 (1,337 Euros approximately)</p>	
Cost Contribution Arrangements			
28	Does your jurisdiction allow cost contribution arrangements?	<p><input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VIII of the TPG?</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p>	
		<p>Cost Contribution Arrangements (CCAs) are not expressly prohibited. Nevertheless, our domestic legislation does not contain specific guidance on this topic. Therefore, general transfer pricing provisions will be applicable in these cases.</p>	

Transfer Pricing Documentation

29	Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If affirmative, please check all that apply:</i> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG <input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG <input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG <input type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return) <input type="checkbox"/> Other (specify): 	
30	Please briefly explain the relevant requirements related to each transfer pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.)	<p>According to Article 32-A, subsection g) of the Income Tax Law and Article 116 of the Income Tax Law Regulation, the following transfer pricing documentation is required:</p> <p><u>Local File</u></p> <p>Threshold: Accrued income exceeds 2,300 UIT (EUR 3,075,100 approximately). Timing for submission: Yearly. The return (i.e. local file) is filed in accordance with the schedule approved for the submission and payment of monthly advance tax payments for the tax period of May of the year following the one to which the return corresponds.</p> <p><u>Master File</u></p> <p>Threshold: Accrued group income exceeds 20,000 UIT (EUR 26,740,000 approximately). Timing for submission: Yearly. The Master File return is filed in accordance with the schedule approved for the submission and payment of monthly advance tax payments for the tax period of September of the year following the one to which the return corresponds.</p> <p><u>Country by Country Report</u></p>	<p>Income Tax Law, Chapter V, Article 32-A, subsection g)</p> <p>Income Tax Law Regulation, Chapter XIX, Articles 116 and 117</p> <p>UIT (Peruvian Tax Unit)</p>

		<p>Threshold: Taxpayers who are members of a group of multinational companies that consolidate financial statements and whose accrued income exceeds PEN 2,700 million (EUR 675,000,000 approximately).</p> <p>Timing for submission: Yearly.</p> <p>The CbCR is filed in accordance with the schedule approved for the submission and payment of monthly advance tax payments for the tax period of September of the year following the one to which the CbCR corresponds.</p> <p>Language: All informative affidavits and supporting information must be presented in the Spanish language.</p> <p><u>Notifications:</u></p> <p>Notification of Designated Entity for CbCR</p> <p>According to Article 10 of Superintendence Resolution N° 163-2018/SUNAT, a resident taxpayer, who is a member of a group of multinational companies whose parent company is not resident in Peru, must notify SUNAT of its designation as a reporting entity, no later than the last business day of the month preceding the report's due date. If no designation is made, all resident entities within the multinational group will be held jointly liable.</p> <p>Notification of CbCR filed Abroad</p> <p>According to Article 11 of Superintendence Resolution N° 163-2018/SUNAT, a taxpayer will be exempt from filing the CbCR return for a given tax year if, on or before the due date for filing, the multinational group files said return through a parent company with its domicile or residence in another jurisdiction.</p> <p>For this purpose, resident taxpayers must notify SUNAT of the designation of the parent company, in a written document signed by the legal representative and attaching a certified copy of the communication submitted by the parent company in the jurisdiction of their domicile or residence. The communication must be submitted to the office responsible for receiving their tax returns by the expiration of the deadline for filing the return.</p>	
31	Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Tax Code, Book IV, Title I , Article 176, paragraphs 2, 4 and 8

	<p>compliance incentives regarding transfer pricing documentation?</p>	<p>According to paragraphs 2, 4 and 8 of Article 176 of the Peruvian Tax Code, it is a punishable offense:</p> <p>(2) Not submitting informative affidavits within the established deadlines. The penalty is a fine equivalent to 0.6% of net income.</p> <p>(4) Submitting the informative affidavits incomplete or with nonconforming information. The penalty is a fine equivalent to 0.6% of net income.</p> <p>(8) Filing informative affidavits without taking into consideration the form or other conditions established by SUNAT. with the penalty is a fine equivalent to 30% of a UIT (EUR 401 approximately).</p> <p>Also, paragraph 27 of Article 177 of the Tax Code establishes that failure to show or to file the documentation and information referred to in subsection g) of Article 32-A of the Income Tax Law; which, among others, support the Local File, Master File and/or CbCR, is a punishable offense with a fine equivalent to 0.6% of the net income, which cannot be less than 10% of a UIT (EUR 133 approximately) or more than 25 UIT (EUR 33,425 approximately).</p>	<p>Tax Code, Book IV, Title I, Article 177, paragraph 27</p> <p>Tax Code, Table I, Article 176 paragraphs 2, 4 and 8</p> <p>Tax Code, Table I, Article 177, paragraphs 27</p>
32	<p>Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>According to Article 32-A, subsection g) of the Income Tax Law, SUNAT may exclude taxpayers to the obligation to submit the Local File, Master File and/or Country-by-Country Report.</p> <p>Local File: Superintendence Resolution N° 014-2018/SUNAT establishes that the following are exempt from the obligation to file the return:</p> <ol style="list-style-type: none"> 1. Taxpayers whose accrued income does not exceed 2,300 UIT and whose transactions subject to transfer pricing rules are below 100 UIT. 2. Natural persons, undivided estates, or matrimonial partnerships that have opted to pay taxes as individuals for Income Tax purposes and do not generate business profits. 3. Companies that are part of the State's business activity, as well as State-owned companies at the regional and local government levels. 	<p>Superintendence Resolution N° 014-2018/SUNAT, Articles 2 and 3</p> <p>Superintendence Resolution N° 163-2018/SUNAT, Articles 2 and 11</p>

		<p>Taxpayers with transactions, subject to the transfer pricing rules, for amounts between 100 and 400 UIT, are only required to prepare a simplified local file.</p> <p>Master File: Superintendence Resolution N° 163-2018/SUNAT establishes that taxpayers whose accrued group income does not exceed 20,000 UIT, and whose transactions subject to transfer pricing rules are below 400 UIT are exempt from the obligation to file the return.</p> <p>CbCR: The taxpayer will be exempt from filing the CbCR return for a given tax year if, on or before the due date for filing, the multinational group files said return through a parent company with its domicile or residence in another jurisdiction.</p> <p>For this purpose, resident taxpayers must notify SUNAT of the designation of the parent company, in a written document signed by the legal representative and attaching a certified copy of the communication submitted by the parent company in the jurisdiction of their domicile or residence. The communication must be submitted to the office responsible for receiving their tax returns by the expiration of the deadline for filing the return.</p>	
Administrative Approaches to Avoiding and Resolving Disputes			
33	Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?	<p>Please check those that apply:</p> <p><input checked="" type="checkbox"/> Rulings</p> <p><input type="checkbox"/> Enhanced engagement or cooperative compliance programmes</p> <p><input checked="" type="checkbox"/> Advance Pricing Agreements (APA)</p> <p style="padding-left: 20px;"><input checked="" type="checkbox"/> Unilateral APAs</p> <p style="padding-left: 20px;"><input checked="" type="checkbox"/> Bilateral APAs</p> <p style="padding-left: 20px;"><input checked="" type="checkbox"/> Multilateral APAs</p> <p><input type="checkbox"/> International Compliance Assurance Programme (ICAP)</p> <p><input checked="" type="checkbox"/> Mutual Agreement Procedures</p> <p><input type="checkbox"/> Other (<i>please specify</i>):</p> <hr/> <p><u>Rulings</u></p>	<p>Tax Code, Book II, Title V, Article 95-A</p> <p>Income Tax Law, Chapter V, Article 32-A, subsection f)</p> <p>Income Tax Law Regulation, Chapter XIX, Article 118</p> <p>Peru's MAP Profile</p>

		<p>Particular consultations related to the application of transfer pricing regulations, issued according to Article 95-A of the Tax Code, are considered as one type of ruling.</p> <p><u>APA</u></p> <p>Article 32-A, subsection f) of the Income Tax Law states that SUNAT can enter into unilateral APA with resident taxpayers.</p> <p>The National Superintendent of Customs and Tax Administration of SUNAT may also enter into APA with other competent authorities of countries with which Peru has entered into a Convention for the Avoidance of Double Taxation within the framework of the Mutual Agreement Procedure provided for in such conventions.</p> <p>When the APA referred to in the previous paragraph are concluded, it may be agreed that they will have effects on transactions from taxable years prior to those covered by the APA, provided that it is verified that the relevant facts and circumstances of those years are the same as in the years covered by the APA; and the action of SUNAT to assess the Income Tax obligation by application of the transfer pricing rules with respect to such transactions has not expired.</p> <p>The provisions of the preceding paragraph are not applicable when a Determination Resolution has been notified with respect to the assessment of the value of such transactions, as a result of the application of transfer pricing rules.</p> <p>Regulation on APA with other competent authorities is pending.</p> <p><u>MAP</u></p> <p>Information regarding MAP has been provided in our MAP Profile.</p>	
Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities			
34	<p>Does your domestic transfer pricing framework allow the application of the simplified and streamlined approach for baseline marketing and distribution activities in the relevant Annex of Chapter IV of the TPG?⁵</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Other (please elaborate)</p>	

⁵ In the case of jurisdictions that do not apply the simplified and streamlined approach (i.e. they responded “no” to question 34), it is not necessary to respond to questions 35, 36 and 38 and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

37	Does your jurisdiction respect the outcome of the application of the simplified and streamlined approach by a covered jurisdiction in line with the Inclusive Framework political commitment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No We are currently evaluating the legislative framework that must be issued to comply with the IF political commitment.	
Safe Harbours and Other Simplification Measures			
39	Does your jurisdiction provide for any safe harbours or other simplification measures in respect of certain industries, types of taxpayers, or types of transactions (not listed in other sections of this questionnaire)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Other Legislative Aspects or Administrative Procedures			
40	Does your domestic transfer pricing framework allow downward corresponding adjustments in the absence of a mutual agreement procedure (e.g. unilateral corresponding adjustments)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>Article 32-A, subsection c) of the Income Tax Law establishes that when, in accordance with the provisions of a Convention for the Avoidance of Double Taxation concluded by Peru, the competent authorities of the counterparty make an adjustment to the prices of a taxpayer that resides in that country, and provided that such adjustment is permitted according to the provisions of the Convention itself and it is accepted by the Peruvian tax administration, the Peruvian resident related party may file an amended return reflecting the corresponding adjustment, even if it results in a lower tax in the country. The submission of such an amended return shall not give rise to the application of penalties.</p> <p>According to Article 109, subsection c) of the Income Tax Regulation, correlative adjustments are governed by the provisions contained in the Conventions for the Avoidance of Double Taxation concluded by Peru. In addition, said article states that adjustments made by a foreign Tax Administration must be contained in a final administrative act.</p>	Income Tax Law, Chapter V , Article 32-A, subsection c) Income Tax Law Regulation, Chapter XIX , Article 109, subsection c)

41	Does your domestic transfer pricing framework allow or require taxpayers to make year-end adjustments?	<input type="checkbox"/> Yes. Year-end adjustments are required. <input type="checkbox"/> Yes. Year-end adjustments are allowed. <input checked="" type="checkbox"/> No	
		<p>Peruvian legislation does not require or allow (explicitly) year-end adjustments. However, taxpayers can make their internal transfer pricing pre-assessments and the adjustments that correspond.</p> <p>Taxpayers also have the possibility of making adjustments after the end of the year, through additions to their income tax return.</p>	
42	Does your domestic transfer pricing framework provide for secondary adjustments?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Income Tax Law Regulation, Chapter XIX, Article 109, subsection d)
		<p>According to Article 109, subsection d) of the Income Tax Regulation, the adjustment resulting from the application of transfer pricing rules will not give rise to the dividends referred to in Article 24-A of the Income Tax Law, except as provided for in subsection g) of that article, under which the mentioned adjustment will be considered as an indirect disposition of income subject to the dividend tax (5%).</p>	Income Tax Law, Chapter V, Article 24-A, subsection g)
Attribution of Profits to Permanent Establishments			
43	Which version of Article 7 of the OECD Model Tax Convention on Income and on Capital do your tax treaties contain?	<input checked="" type="checkbox"/> Article 7 as it read before 2010. <input type="checkbox"/> If so, please indicate in how many treaties: 8 <input type="checkbox"/> Article 7 as it reads after 2010. <input type="checkbox"/> If so, please indicate in how many treaties: <input type="checkbox"/> Other (please provide additional details)	
44	For tax treaties containing Article 7 as it read before 2010, does your	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (please explain the approach used and which tax treaties are concerned)	

	jurisdiction apply the authorized OECD approach (AOA)?	<p>In Peru, the application of the AOA is not possible since Article 7 of all our current tax treaties are based on the pre-2010 OECD Model Tax Convention.</p> <p>In addition, Peru does not have specific regulations on this matter or practical experience derived from any audit procedure. However, according to our domestic legislation, non-resident companies and their permanent establishments (PE) are related parties and, therefore, transfer pricing provisions apply. This entails conducting a functional analysis to identify the PE's activities (functions or economic activities, including assets used and risks). Therefore, the PE's transactions are valued at arm's length.</p>	
45	Does your domestic transfer pricing framework contain specific guidance for the attribution of profits to permanent establishments of non-resident entities? If so, please provide a summary of the main features of this guidance.	<p><input type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they do not follow the AOA (please provide a summary of the main features of these rules)</p> <p><input checked="" type="checkbox"/> No</p>	
Other Relevant Information			
46	Other legislative aspects or administrative procedures regarding transfer pricing	N/A	
47	Other relevant information (e.g. <i>whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire</i>)	Regulations on APA and other methods are planned to be issued before the end of 2025.	

For more information, please visit: <https://www.oecd.org/en/topics/sub-issues/transfer-pricing/transfer-pricing-country-profiles.html>