Private Wealth 2026

Law and Practice

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1. Tax

1.1 Tax Regimes

The Argentine tax regime functions at the three levels of government: federal, provincial and municipal. The most relevant taxes at federal level levied on individuals are income tax and personal assets tax – although there are other taxes that, albeit normally irrelevant, may have an impact on wealth structuring.

Personal Income Tax

Individuals residing in Argentina are subject to personal income tax (PIT) on worldwide income. In summary, the following are regarded as Argentine residents:

- Argentine citizens, whether native or naturalised individuals;
- foreign individuals who have obtained permanent residency status in Argentina or have been in Argentina with temporary authorisation for 12 months (provided that temporary absences do not exceed 90 days); and
- undivided estates in which the decedent was Argentine domiciled on the date of their death.

In the case of individuals, the Income Tax Law (ITL) establishes a progressive scale consisting of two concepts:

- a fixed tax value; and
- a variable rate (from 5% to 35%).

However, the ITL applies a differential treatment to profits derived from the sale of bonds, stocks, other securities and real estate, and income derived from dividends distributed by Argentine entities – at rates of 7% or 15%, respectively.

PIT is an annual tax and the tax return must be filed in mid-June of the year following the tax period settled. A tax credit will also be permitted with regard to a similar tax paid abroad.

PIT – Amendments to Legislation

More than five years have passed since the enactment of Law 27.430, which incorporated significant changes and had a great impact on high net worth individuals and families due to the taxability of financial investments and the inclusion of fiscal transparency through the controlled foreign company rules.

However, through the enactment of Law 27.541, exemptions for certain Argentine-sourced income have been re-established, such as:

- income derived from the allocation of capital in public securities issued by the national, provincial, municipal or City of Buenos Aires governments, negotiable obligations, debt securities, bonds and other securities, as well as from participations in mutual funds; and
- interest from savings accounts and fixed-term deposits in national currency, capital gains from public securities issued by the national, provincial, municipal or City of Buenos Aires governments, and participations in mutual funds and financial trusts.

Since 1 January 2026, gains from the sale of real estate in Argentina are exempt from PIT, replacing the previous regime, under which a 15% rate applied to properties acquired from 2018 onwards, and a 1.5% withholding tax applied to properties acquired earlier. This exemption was introduced by Law 27.802 (enacted in March 2026) and clarified through Decree 406/2026, and it applies to both residents and non-residents selling Argentine real estate. For non-residents, this exemption is not automatic in every case. Article 28 of the ITL is a general anti-abuse rule providing that exemptions do not apply to the extent they would simply transfer the tax benefit to a foreign treasury – that is, if the seller's country of residence would tax the same gain precisely because Argentina exempted it, the Argentine exemption is disregarded and the gain remains subject to Argentine tax, generally via withholding.

The same law also exempts rental income from PIT when the property is rented out as the tenant's primary home, effective from the same date.

Section 130 of the ITL establishes that certain foreign structures (companies or other entities or contracts such as trusts) will be considered "transparent" for tax purposes if they meet certain requirements. To that end, the ITL establishes three categories of entities:

- trusts, private interest foundations and similar structures established or domiciled abroad;
- companies without fiscal personality; and
- companies with fiscal personality.

Trusts and Private Interest Foundations

The ITL establishes that fiscal transparency will apply to trusts, private interest foundations and similar structures if an Argentine tax resident exercises control over the structure – ie, when there is evidence that the assets remain in its possession and/or are administered either directly or indirectly by the tax resident – in the following cases, among others:

- revocable trusts or foundations;
- when the settlor/founder is also a beneficiary; and
- when the settlor/founder has decision-making power, directly or indirectly, to invest or divest assets.

If a trust/private interest foundation does not meet these characteristics, it will not be considered transparent for tax purposes.

Personal Asset Tax – Amendments to Legislation

The criteria according to which an individual falls within the scope of personal asset tax (PAT) changed five years ago from domicile to residency under the terms and conditions foreseen in the ITL.

Law 27.667 (published in the Official Gazette on 31 December 2021) increased the value of the standard tax-free threshold from ARS2 million to ARS6 million. The law also provided that this value will be adjusted annually based on the consumer price index (índice de precios al consumidor, or IPC). The IPC adjustment began to apply from the 2022 tax period.

However, on 28 June 2024, Law 27.743 introducing modifications to the PAT was approved by Congress. For the tax period 2023, the tax-free threshold was set at ARS100 million. Therefore, Argentine-resident individuals will be subject to PAT on assets held both in and outside Argentina as of 31 December each year.

Unlike the previous regulations, this new law introduces a single progressive tax rate for all assets above the threshold (located in Argentina and abroad), ranging from 0.5% to 1.5%.

Real property in which the taxpayer lives (casa habitación) – or in which the deceased used to live in the case of undivided estates – will not be taxable when its value is equal to or less than ARS350 million. The taxable base is the market value of such assets and, apart from a few exceptions, debts are not deductible.

As mentioned in **1.5 Taxation of Real Estate Owned by Non-Residents and Non-Citizens**, for real estate property, PAT is also applicable to non-resident individuals exclusively on assets held in Argentina. To ensure that the tax is collected, the law provides a method of substitution that imposes the obligation to file the tax return and pay the tax on the local resident that administers the asset on behalf of the foreigner ("substitute taxpayer regime"). Those individuals must designate a local substitute taxpayer to pay the tax assessed on property located in Argentina, applying a fixed tax rate of 0.5%.

A 0.5% tax rate applies on the net equity value of Argentine companies owned by resident and non-resident individuals or entities. The company is responsible for filing the tax return and paying the applicable tax ("substitute taxpayer regime").

Expatriates residing in Argentina on work assignments for a period not exceeding five years are considered non-residents (Section 123(c) of the ITL) and are therefore taxed exclusively on their Argentine situs assets. The employment reasons that require Argentine residence must be duly proven.

Gift/Estate Tax

In Argentina there is neither federal gift tax nor inheritance/estate tax. A gift tax/estate tax (impuesto a la transmisión gratuita de bienes, or ITGB) is only applicable for Buenos Aires Province (Provincia de Buenos Aires, or PBA).

ITGB is assessed on any increase in an individual's wealth due to the receipt of a gratuitous transfer of assets from, for example, inheritances, legacies or gifts. According to the law, the following are regarded as liable.

- Natural persons and legal entities domiciled within PBA that have benefited from a gratuitous transfer are liable. In this case, the tax applies to the total sum of the assets received by that person or entity.
- Natural persons and legal entities domiciled outside PBA are liable when the increase in their wealth comes from a gratuitous transfer of assets located within PBA (PBA situs assets). In this case, the tax applies only to the amount of the increase derived from the

transfer. The PBA Tax Code considers that the shares and equity interests of a company registered outside PBA are a PBA situs asset in the proportion of those assets held by the company that are situated in PBA (eg, a company incorporated and registered in the Autonomous City of Buenos Aires having real property in PBA). For tax assessment purposes, the shares will be valued according to the net asset value of the latest closed financial statements.

The tax-free allowance when the beneficiary is the spouse, child or parent of the transferor is ARS23,343,337. If the amount received exceeds this sum, the tax will be applied to the difference. In any other cases, the tax-free allowance is ARS5,606,568.

The applicable tax rates vary between 2.404% and 9.513%, depending on the value of the property transferred and the relationship between the transferor and the transferee of the property. The rates are based on the assessment value or the market value (whichever is higher).

The PBA Tax Code (Section 320 of Provincial Law 10.397) provides that certain heirs (surviving spouse, ascendants and/or descendants) will be exempt from ITGB when they receive any of the following assets mortis causa:

- a homestead (vivienda familiar) in accordance with Section 244 of the Argentine Civil and Commercial Code (Código Civil y Comercial de la Nación, or CCCN);
- real property entirely destined for the housing of the decedent or their family, provided it is the only property and its assessed value does not exceed ARS1,154,400 (for the 2026 fiscal period); and
- a company, whatever its form of organisation, provided the valuation of its assets does not exceed the amount established by law (ARS421,510,967 for the 2026 fiscal period) and as long as the activity is effectively maintained in the five years following the death of the decedent – otherwise, they must pay the tax reassessment for the remaining years to obtain the benefits of the exemption (although this exemption will not apply when the income of the company derived from rental and financial assets exceeds ARS16,900,450 (for the 2026 fiscal period)).

Even though there are no similar taxes in the rest of the provinces (Entre Ríos Province abrogated this tax on 22 December 2018), it cannot be ruled out that other provinces may introduce similar taxes in the future or that an inheritance is enacted at a federal level. Every now and then these possibilities are mentioned.

1.2 Exemptions

See **1.1 Tax Regimes** (Gift/Estate Tax).

1.3 Income Tax Planning

Income tax planning alternatives should be analysed on a case-by-case basis. However, there are no special provisions in the ITL that provide a step-up in the value of assets to their fair market value.

1.4 Pre-Immigration and Exit Planning

As noted in **1.3 Income Tax Planning**, the ITL contains no provision for a step-up in the tax basis of assets to fair market value upon becoming a resident. Against this backdrop, individuals relocating to Argentina often find it prudent to keep careful records of the historical acquisition cost of their foreign assets, and to weigh – while such income still falls outside the scope of Argentine taxation – whether realising built-in gains, distributing retained earnings, or undertaking corporate reorganisations ahead of the move may prove advantageous.

1.5 Taxation of Real Estate Owned by Non-Residents and Non-Citizens

Personal Asset Tax

Non-residents are subject to PAT on all property located in Argentina as of 31 December each year. To collect this tax, the law provides a method of substitution that is imposed on the local resident who administers the asset owned by the foreign national. Such person must submit and pay the tax return (“substitute taxpayer regime”). The applicable fixed tax rate is 0.5% and there is no tax relief allowed.

Provincial Real Estate Tax

In addition, provincial real estate tax must be paid annually, in one or several instalments, in the months of February, April, June, August and October. By way of example, the tax in PBA comprises a fixed amount (from ARS455 to ARS700,551) and the tax rate to be applied on the surplus of the established minimum of the scale ranges from 1.2% to 2.5%, depending on the type of property and the fiscal valuation carried out by the Land Registry and Territorial Information Service.

Tax on Rental Income

If the property is rented out, the tenant should withhold tax at an effective rate of 21% (the ITL presumes that 90% of the rent is the net income and applies a 35% tax rate). If the property is to be rented for commercial purposes (ie, it is not to be the tenant's home), VAT would apply at a rate of 21% of the rental value. As for PAT, the law provides a substitution method for the collection of this tax, which is imposed on the local resident designated by the non-resident for this purpose. Such person must submit and pay the tax return.

Transfer Tax and Stamp Tax

As regards onerous transfers of real estate, PIT applies to the extent that the real estate was acquired by the non-resident on or after 1 January 2018. Where the real estate being sold was acquired by the non-resident prior to 1 January 2018, a 1.5% withholding tax (ITI) will apply, although the non-resident could still qualify for the exemption if certain requirements are met (see 1.1 Tax Regimes). In addition, the deed of sale of the real estate is subject to stamp tax – the rate of which will depend on where the real estate is located, as each province sets a specific rate within its own provincial tax code. By way of example, in the Autonomous City of Buenos Aires, the tax rate for the transfer of ownership of real estate is 3.5% on the economic value of the contract. Where a non-resident receives income on the sale or transfer of shares or other interests in foreign entities, and the value of this derives at least 30% from assets located in Argentina (eg, real estate), this income will be taxed in the same way as capital gains.

Gift/Estate Tax

Gratuitous transfers during the non-resident lifetime (gift) of real estate situated within PBA will be subject to ITGB. If the gratuitous transfer derives from the death of the non-resident (inheritance), court fees derived from the succession proceeding will also apply (ranging from 1.5% to 2.2% of the value of the property).

Fideicomisos (local trusts) are commonly used structures to defer ITGB and avoid court fees. If the property is situated outside PBA, gifting the real estate could be an alternative (the donor may keep lifetime usufruct over the given property).

1.6 Stability of Tax Laws

Stability is not a quality that is readily associated with Argentina, and the country's tax legislation is no exception to this. This can clearly be seen by the changes made to PAT in recent years, which can be summarised as follows.

- In May 2016, the National Executive Branch sent a draft bill to Congress, which included a tax amnesty, a moratorium, and staggered modifications in the non-taxable minimum amounts and rates of PAT. The bill contemplated the abrogation of PAT as of 1 January 2019.
- Law 27.260 (22 July 2016) introduced staggered modifications in the non-taxable minimum amounts and rates of PAT. The abrogation of this tax was finally set aside.
- Law 27.429 (22 December 2017) established the fiscal consensus reached by the federal government, the provinces (except San Luis) and the Autonomous City of Buenos Aires. It was aimed at implementing tax policies designed to promote and increase investment, as well as private employment, through a reduction in the fiscal burden of taxes with a distortive effect on overall economic activity. The other side of the obligations assumed by local jurisdictions was the commitment not to create new national taxes on assets or increase the tax rate on PAT.
- On 12 October 2018, the National Executive Branch submitted a bill to ratify amendments to the previously mentioned fiscal consensus. Item (e) of the bill provided for the suspension of the commitment assumed by the national government.
- Law 27.480 (21 December 2018) raised the minimum taxable base and the fixed 0.25% tax rate was finally replaced by a progressive scale (up to 0.75% tax rate).
- Law 27.541 (23 December 2019) raised tax rates once again through a progressive scale ranging between 0.5% and 1.25% and delegated to the executive branch the power to establish differential rates for assets held outside Argentina, which have been finally raised to up to 2.25%.
- Law 27.667 (31 December 2021) again raised tax rates, which now range within a progressive scale between 0.5% and 1.75% for domestic property and from 0.7% to 2.25% for assets held abroad.
- Besides PAT, a one-off extraordinary contribution levied on the assets held by individuals and undivided estates (both residents and non-residents) was enacted in 2020. This tax was known as aporte solidario y extraordinario or impuesto a la riqueza.
- Law 27.743 (27 June 2024) – as mentioned in 1.1 Tax Regimes (Personal Asset Tax – Amendments to Legislation) – established a single progressive tax rate for domestic and foreign assets alike, ranging from 0.5% to 1.5% for fiscal year 2023. Furthermore, it provides a reduction of tax rates for the following fiscal years:

- fiscal year 2024 – from 0.5% to 1.25%;
- fiscal year 2025 – from 0.5% to 1%;
- fiscal year 2026 – from 0.5% to 0.75%; and
- fiscal year 2027 – a flat rate of 0.25%.

- An optional Simplified Tax Return Regime for PIT (Régimen de Declaración Jurada Simplificada), was introduced under Law 27.799 and Decree 93/2026, available since fiscal year 2025 to resident individuals and undivided estates meeting certain income and net-worth thresholds who do not qualify as large taxpayers. The tax liability is the same as under the general regime, but the return is pre-filled by the tax authority and taxpayers are relieved of the obligation to report net worth at year-start and year-end, annual consumption, and the justification of net-worth variations. Timely filing and payment produces a discharging effect and a conclusive presumption of accuracy for both income tax and VAT, unless the authority identifies a significant discrepancy in the base period. For private clients, this is particularly relevant because it substantially narrows the authority's ability to challenge unexplained net worth increases or bank deposits for the covered period – a common source of exposure for individuals with cross-border assets, foreign-currency holdings, or complex international structures whose annual net worth reconciliation can otherwise be difficult to fully document. Enrolment is voluntary and reversible, so eligibility and convenience should be assessed case by case.

Other tax simplification measures currently under discussion include:

- consolidating or eliminating minor national taxes, such as the bank transaction tax, which is widely considered distortionary;
- adjusting PIT brackets and thresholds to reflect inflation, which has increasingly impacted middle and high-income earners; and
- reducing the corporate income tax rate, which currently results in an effective rate of 39.5% when accounting for both corporate-level taxation and the withholding tax on dividends distributed to shareholders.

1.7 Transparency and Increased Global Reporting

Following the international standards suggested by the OECD, fiscal transparency through controlled foreign company (CFC) rules was introduced for the first time in Argentina by Law 27.430 (27 December 2017).

Fiscal Transparency for Individuals

Fiscal transparency rules apply primarily to individuals who hold shares or have an interest ownership in foreign companies located in non-cooperative or low or nil tax (LONT) jurisdictions, modifying the moment of recognition of foreign-source income by resident taxpayers. In this way, the income will be recognised as having been earned by an Argentine resident as if the foreign entity does not exist, to the extent that certain conditions are met (control through ownership, lack of “substance”, passive income representing more than 50% of gross income, etc).

Fiscal transparency also applies to individuals with interests in foreign trusts/private foundations, provided certain conditions are met (revocable trusts, trusts in which the settlor is also a beneficiary, and trusts in which the settlor keeps direct or indirect control over the structure).

These structures are therefore no longer useful for PIT deferral.

Global Reporting

For the past few years, Argentina has been an active participant in the exchange of international tax information. In this sense, Argentina has subscribed to:

- tax treaties to avoid international double taxation, which are bilateral and include information exchange clauses;
- specific tax exchange agreements, which are also bilateral; and
- the multilateral Convention on Mutual Administrative Assistance in Fiscal Matters proposed by the OECD.

In order to fulfil the commitments assumed, the Federal Administration of Public Revenues (Administracion Federal de Ingresos Publico, or AFIP) enacted General Resolution No 3826/2015 on 30 December 2015, which established an information regime on financial accounts so that financial institutions provide the required information. Through different communications, AFIP requested that the different entities involved (such as the Argentine Central Bank, the National Securities Commission, and the Superintendence of Insurance) take the necessary measures to identify holders of the accounts reached in the field of information exchange.

According to the commitment assumed in previous years, AFIP regulated the automatic exchange of bank account information through General Resolution No 4056-6 on 22 May 2017. The resolution established the subjects, forms, periodicity and deadlines within which the information must be submitted.

AFIP has demonstrated an active commitment in response to the information provided by jurisdictions with which bilateral agreements have been established. This commitment has resulted in a high level of initiation of tax audits related to taxpayers' holdings abroad.

On 5 December 2022, after several negotiations, Argentina signed an intergovernmental agreement (IGA) with the USA to facilitate implementation of the United States Foreign Account Tax Compliance Act (FATCA). Although the agreement allows the reciprocal exchange of certain financial account information between the USA and Argentina ("Model 1"), there is still asymmetry considering the extent of the information that the USA will receive in comparison with Argentina (mainly as per the definition of an Argentine Reportable Account).

The IGA establishes that the US obligation to obtain and exchange information takes effect once the USA formally notifies Argentina that it is satisfied with the country's safeguards to ensure the confidentiality and appropriate use of the information exchanged for tax purposes, as well as the infrastructure necessary to support an effective exchange relationship. According to AFIP, in 2024 the US Internal Revenue Service (IRS) confirmed that Argentina meets the required cybersecurity standards, and the automatic exchange of information has been operational since September 2024. However, to date, no significant audit or enforcement actions by the Argentine tax authority derived from this new exchange mechanism have been observed or made public.

2. Succession

2.1 Cultural Considerations in Succession Planning

As family wealth and investments become increasingly global, foreign structures such as revocable and irrevocable trusts become more relevant and useful (unless members of the next generation reside in countries where these figures are not recognised or in which anti-deferral rules might render them inconvenient). Although the older generation is generally reluctant to turn over wealth and control, the overall tax burden to which they are exposed – PIT, PAT and the recent experience of the Solidarity and Extraordinary Contribution (Aporte Solidario y Extraordinario, or ASE) – will no doubt encourage them to consider succession planning to ease this burden.

Regardless of the fiscal efficiency associated with these structures, once assets have been contributed to them, they will not be included in the judicial succession process that will be carried out upon the death of the decedent – thereby avoiding several costs involved in the court process.

2.2 International Planning

See **2.1 Cultural Considerations in Succession Planning.**

2.3 Forced Heirship Laws

Argentina has a forced heirship (public order) regime. The forced heirship portion refers to the part of the estate that is reserved for certain heirs by law (ie, forced heirs). This allows for descendants, ascendants and the surviving spouse to have a reserved portion (la legítima) in the deceased estate, of which they cannot be deprived either by will (testamento) or by any free inter vivos act (gifts) (Section 2444 of the CCCN).

The reserved portions are as follows:

- descendants – two thirds;
- ascendants – one half; and
- the surviving spouse – one half.

These portions are calculated by considering the sum of the liquid value of the estate at the time of the decedent's death and the gifts provided for each of the forced heirs at the time the gift was made.

The CCCN introduces the concept of improvement, which allows the decedent to reduce the reserved portion to exclusively improve it for disabled heirs, whether they are descendants or ascendants (first part of Section 2448). Section 48 of the CCCN establishes that a disabled person is someone who suffers from a mental or physical disorder, either permanent or prolonged, which – in relation to their age and social environment – entails considerable disadvantages for their family, social, educational or professional integration.

Since the forced heirship regime is a public order regime, any provisions or structures used by the parties that conflict with the portions under the regime may be challenged under a legal action (collatio bonorum). There have been precedents in Argentine courts in which forced heirship claims have been admitted against trust assets when the legitimate portion of one of them was infringed.

A forced heir cannot be deprived of their legitimate portion by the decedent. However, upon the decedent's death, any of the heirs can file a legal action to exclude another heir by invoking one of the statutory causes for indignity established in Section 2281 of the CCCN (eg, an heir can claim that the decedent was the victim of violence by the heir against whom the action is filed). The onus probandi of the invoked indignity cause is in the hands of the heir filing the action (acción de indignidad under Section 2283 of the CCCN).

Any general agreement entered into by and between future heirs during the deceased's lifetime is null and void. However, Section 1010 of the CCCN allows agreement over future inheritances if the agreement meets all the following conditions:

- it relies on the equity of companies or other business;
- it aims to maintain unity in the management or to prevent/solve conflicts; and
- the dispositions do not deprive forced heirs of their reserved portions, nor do they affect the rights of the spouse or third parties.

2.4 Marital Property

Under the CCCN, future spouses have the possibility of opting – by entering marriage conventions – between a shared/marital property regime or a separate property regime. Section 463 of the CCCN establishes that if no convention is entered into, or if the convention does not set forth any provision regarding the property regime, the traditional shared/marital property regime will be applied. Under this regime, each spouse is entitled to the full management and disposal of their personal assets (bienes propios). The management and disposal of shared property (bienes gananciales) falls to the spouse who acquired it. However, the other spouse's consent must be obtained in order to transfer recordable assets, shares of stock or businesses (Section 470 of the CCCN).

Conventions may be created (Section 446 of the CCCN) for the purpose of:

- the designation and appraisal of the goods that each of the future spouses is bringing to the marriage;
- the admission of debts;
- donations made between each other; or
- choosing an option considering the regimes contemplated in the CCCN.

Section 448 of the CCCN provides that a convention must be executed by public deed (escritura pública) in order to be valid. For a convention to be effective towards third parties, the marriage certificate must include a note in the margin specifying the chosen regime. If the spouses decide to change the regime (which they can only do after being married for at least one year), the amendment must also be made by convention and by public deed. If creditors are affected by this change, they will have one year from the date that they became aware of the change in which to object to it.

When a marriage is terminated (owing to death or divorce), the assets that qualify as shared/marital property are grouped together. After the applicable liabilities and claims of each spouse have been worked out, they are divided and distributed equally between the spouses (in the case of divorce) or between the heirs and the surviving spouse (in the case of death).

2.5 Transfer of Property

The cost basis of any property being transferred (whether gifted or at death) must be maintained at the same cost assigned by the transferor in their income tax return – ie, the value in Argentine pesos at which they acquired that property. As mentioned in 1.3 Income Tax Planning, there are no special provisions in the ITL that provide a step-up in the value of assets to their fair market value.

2.6 Transfer of Assets: Vehicle and Planning Mechanisms

The only way to transfer assets to younger generations tax-free is through lifetime gifts, to the extent that the gifted assets do not qualify as PBA situs assets and that the donee is not domiciled within PBA (in which case, the ITGB would apply). Gifts involving real property in favour of forced heirs are now a viable instrument as per the amendments to the CCCN introduced by Law 27.587.

2.7 Transfer of Assets: Digital Assets

There are no specific provisions regarding how digital assets (such as email accounts and cryptocurrency) should be treated for succession purposes.

3. Trusts, Foundations and Similar Entities

3.1 Types of Trusts, Foundations or Similar Entities

Under Argentine law, the applicable law is the law of the place where the trust has been settled, provided that Argentine public order is not infringed (mainly, the forced heirship rules).

Revocable and Irrevocable Trusts

Before the enactment of Law 27.430, Section 140(b) of the ITL was the only reference to foreign trusts in local legislation. Law 27.430 establishes the cases in which a foreign trust should be considered transparent for tax purposes. In this sense, fiscal transparency applies to revocable trusts, so they are no longer useful for income tax planning purposes. However, as mentioned in **1.5 Taxation of Real Estate Owned by Non-Residents and Non-Citizens**, it must be stressed that these structures will still be useful for estate planning.

With regard to irrevocable trusts, neither fiscal transparency nor anti-deferral rules will apply unless:

- the settlor is also a beneficiary of the trust; or
- the settlor has direct or indirect powers to decide how the assets comprising the trust fund should be invested.

Therefore, if structured correctly, revenues derived from the assets held in trust will not be subject to tax in the jurisdiction of the trustee. The trustee becoming the legal owner of the assets will ensure that neither PAT nor income tax will be levied on the settlor for such assets and their revenues.

However, it must be stressed that there has been an attempt to change this situation by taxing the “rights inherent in the capacity as beneficiary of a foreign trust” with the differential rate of PAT (Section 25, paragraph 3 of Law 27.541). Nevertheless, it seems that the way in which this provision has been included does not change the tax consequences for the beneficiary of an irrevocable discretionary trust for the following reasons:

- the provision implies an excess in the exercise of taxing rights by Argentina;
- the provision infringes the "ability to pay" principle (principio de capacidad contributiva) – until they receive actual distributions, beneficiaries of an irrevocable discretionary trust have no ability to pay PAT; and
- in any case, the value of the beneficiary's rights would be zero.

However, this provision has not yet been regulated.

Therefore, the use of an irrevocable trust – ignoring the fact that the transfer in trust that must be made by the settlor to a third party (trustee) generally generates resistance in individuals in countries such as Argentina (due to various cultural factors) – may give rise to benefits concerning both taxes and successions.

Irrevocable Fiduciary Structures

It seems probable that there will be an increase in the implementation of irrevocable fiduciary structures for different reasons. First, high net worth families have entered the Tax Amnesty (Law 27.260), under which they declared the possession of national or foreign currency and other property located in the country and abroad. Consequently, high net worth individuals have since been affected by the increasing tax burden (regarding PIT, PAT and, recently, the ASE) and will seek tax-planning alternatives to ease this burden.

All these factors will encourage high net worth families to analyse estate-planning alternatives. The efficiency of any structure will depend on the eventual terms of these upcoming amendments to tax laws.

3.2 Recognition of Trusts

Argentina has not signed the Hague Convention of 1 July 1985 on the Law Applicable to Trusts and on Their Recognition. However, court precedents have recognised the existence and enforceability of foreign trusts, provided that Argentine public order is not infringed (mainly, the forced heirship rules). This was then included in Section 2651(e) of the CCCN. Argentina therefore recognises and respects foreign trusts.

3.3 Taxation of Trusts, Foundations and Similar Entities Located in Other Jurisdictions

The tax consequence of a fiduciary of a foreign trust being an Argentine resident is that the trust would be considered a taxable entity for Argentine tax purposes. The tax consequences of a beneficiary of a foreign trust being an Argentine resident will appear exclusively upon receiving distributions from the trust (provided it is an irrevocable and discretionary trust). See **3.1 Types of Trusts, Foundations or Similar Entities** for more on the attempt to change this situation.

The tax consequence of either the beneficiary or the settlor of a foreign trust serving as a fiduciary is that the transparency rules would apply (Section 130 of the ITL) and the assets in the trust would be included in the settlor's PAT return.

3.4 Tax Consequences of Fiduciary and Beneficiary Roles

As mentioned in **3.3 Taxation of Trusts, Foundations and Similar Entities Located in Other Jurisdictions**, where either the beneficiary or the settlor of a foreign trust also serves as fiduciary, the tax consequence is that the transparency rules under Section 130 of the ITL apply, and the trust's assets must be included in the settlor's PAT return. In practice, this is generally managed by ensuring the fiduciary role is held by someone independent of the donor and beneficiaries wherever possible – often by delegating it to a professional trustee – or, where that is not feasible, by documenting clear limits on the fiduciary's discretion.

4. Family Business Planning

4.1 Asset Protection

The most popular mechanism through which to seek asset protection is the trust.

4.2 Succession Planning

When it comes to family-owned companies, it is common for the founder to gift their shares/interest to their heirs, reserving the economic rights for themselves – and, in some cases, the political rights as well – until their death (usufructo vitalicio). In relation to this, and mainly when the family-owned company holds real property or rural land, tax-free reorganisation procedures are commonly used to split the shares/interest between the members (escisión libre de impuestos) so as to avoid any tax burden, provided the following requirements are met:

- the owners are prohibited from selling the reorganised entities within two years of the reorganisation; and
- the owners are prohibited from changing their activities within two years of the reorganisation.

For family-owned companies where a reorganisation procedure is not an option owing to the company's particulars, further planning might be suggested to achieve not only an efficient succession on the property (shares of the family company) but also the subsistence of the family company throughout the generations. A family business constitution (protocolo de empresa familiar) might be an effective way to future-proof a family business.

4.3 Transfer of Partial Interest

As mentioned in **4.2 Succession Planning**, it is common for the founder of family-owned companies to gift their shares/interest to their heirs, reserving the economic rights (and sometimes political rights) for themselves until their death (usufructo vitalicio). Unless the company is located within PBA, the transfer during the founder's lifetime is not subject to any transfer tax (the same applies to transfer at death), so there is no need for a transfer of partial interest. For income tax purposes, transferees must include the interest received at the same value as for the transferor (Section 4 of the ITL).

5. Wealth Disputes

5.1 Trends Driving Disputes

Argentine law provides legal remedies for a forced heir to make a claim if the forced share that should be allocated to them has been adversely affected. In this sense, the affected party could file a collatio bonorum claim regarding the trust fund.

Case Involving Collatio Bonorum

This interpretation was extended by the courts in a unique and unprecedented case in Argentina, in which the collatio bonorum was discussed in the matter of a trust created under the laws of the UK. In this case, the two daughters from the first marriage of the decedent and the surviving divorced spouse filed a complaint against the other heirs – the children from the third marriage of the decedent – with regard to the collatio bonorum of the real estate located in London and received by them as beneficiaries of a trust created in the UK by their deceased father. In respect of the collatio bonorum, the court resolved that a trust created with a view to gratuitously benefiting a forced heir of the settlor might be deemed a gift to the heirs made before the death of the decedent and thus goes into the accounting of the estate, as its content and significance exceed that permitted under inheritance law.

As regards matters of private international law, the court established that – even though the trust was governed by UK law – the succession was subject to Argentine law because that was the last address of the decedent. As a general principle in succession matters, the Argentine legal system provides that succession proceedings will be governed by the laws of the country in which the decedent's address is located (as seen in this case, where the law of the decedent's address prevailed over the law governing the trust).

Sham Trust

If the settlor were to receive funds from the trust, then any party with a legitimate interest could pursue a sham trust claim for the irrevocable trust to be declared void ab initio. In which case, those assets would be treated as if they had never left the settlor's estate. A sham trust is the term used to refer to a trust that was set up with intentions other than those expressed in the deed and where the trustees had no intention of acting on the terms of the trust.

5.2 Mechanism for Compensation

As a general principle in succession matters, the Argentine legal system provides that succession proceedings will be governed by the laws of the country in which the decedent was domiciled at the time of their death.

If a settlor dies and their last domicile is in Argentina, the CCCN's forced heirship rules would apply. Therefore, if the trust was created with a view to gratuitously benefiting some of the forced heirs of the settlor (to the detriment of the others), it would be considered a gift to those heirs (made before the death of the decedent) and would therefore go into the accounting of the estate, as its contents and significance exceed those permitted under inheritance law. As seen in **5.1 Trends Driving Disputes**, the remaining forced heirs (aggrieved parties) should file a collatio bonorum claim against the trust fund to compensate the other forced heirs of the estate.

6. Roles and Responsibilities of Fiduciaries

6.1 Prevalence of Corporate Fiduciaries

The use of corporate professional fiduciaries/trustees is prevalent when planning through foreign irrevocable discretionary trusts. When planning through local trusts (fideicomisos), it is common to use either an individual trustee or a company owned by the settlor (fiduciante) – not a corporate professional fiduciary – which usually gifts the bare ownership of the shares in the company to their descendants, thereby keeping lifetime usufruct over those shares.

6.2 Fiduciary Liabilities

Fiduciaries' protection from liabilities is attained through exoneration/exculpatory clauses and by delegating power of investment to third-party professionals (investment advisers).

6.3 Fiduciary Regulation

In Argentina, trusts were originally regulated by Title I of the Housing and Construction Financing Law No 24,441 (the "Trusts Law"), which contemplated two types of trusts:

- financial trusts (fideicomiso financiero), under which the trustee must be a financial entity or a corporation specifically authorised by the Argentine Securities Commission to act as a financial trustee; and
- ordinary trusts (fideicomiso ordinario), which can be:
  - management trusts (fideicomisos de administración); or
  - guarantee trusts (fideicomisos de garantía).

However, the CCCN has since amended the Trusts Law. The regulation of trusts is now set out in Chapter 30 of the CCCN (local trusts), which incorporates suggestions from legal scholars and case law with regard to certain issues of interpretation and the application of trust law.

6.4 Fiduciary Investment

There are no specific provisions related to fiduciary investments in Argentina.

7. Citizenship and Residency

7.1 Requirements for Domicile, Residency and Citizenship

Unlike in many other countries, obtaining citizenship in Argentina is relatively straightforward. The first step is to obtain a visa, which will allow a person to live in the country for one year on a temporary residence permit. When the year has expired, the visa can be extended for an additional year. At the end of the second year, the visa can be extended again for another year. At the end of the third year, the person can extend the visa again and receive permanent residency. At this point, they will be legally entitled to reside in Argentina permanently. Two years after receiving permanent residency, they may apply for citizenship.

The children of an Argentine father or mother (regardless of whether native or by choice) who were born abroad also have the right to acquire Argentine nationality, regardless of their age, even when the Argentine father or mother has passed away. Those who cannot apply for Argentine nationality are family members of Argentine citizens (such as the spouse, grandchildren or siblings), despite some of them having the right to reside in Argentina.

It is not a requirement to give up (renounce) another nationality to acquire Argentine nationality by choice. However, whether the person can retain their original nationality will be a matter for the foreign country in question.

7.2 Expeditious Citizenship

This is not applicable in Argentina.

8. Planning for Minors, Adults with Disabilities and Elders

8.1 Special Planning Mechanisms

The Trusts Law does not include any specific provisions regarding a special needs trust. However, if the beneficiary is a natural person without legal capacity, the maximum duration period for local trusts – ie, 30 years from the date on which the trust was created – would not apply. In such cases, the trust will last until the beneficiary's death or until termination of their incapacity.

8.2 Appointment of a Guardian

In general terms, minors are represented by the surviving parent. If there is no surviving parent, the court designates a legal representative to handle all the assets on the minor's behalf. Likewise, the disposition of assets usually requires court approval. A minor can inherit and own assets through their legal representative.

8.3 Planning for Incapacity

Argentine law addresses incapacity planning through two distinct, and only partially overlapping, regimes: the personal protection regime under the CCCN, and the asset-planning mechanisms available and compatible with Argentine law.

Since the 2015 reform, Argentina has moved from a substitutive guardianship model to a "supported decision-making" model, following the UN Convention on the Rights of Persons with Disabilities. Full capacity is presumed, and any restriction must be judicially declared, limited to specific acts, and reviewed at least every three years. Where the restriction is partial, the court appoints one or more support persons (apoyos) to assist – not substitute – the individual. Where incapacity is absolute and the person cannot interact with their environment even with assistance, the court instead appoints a curator to represent them directly; this is reserved for exceptional cases. The process requires interdisciplinary assessment and a personal hearing, and in practice tends to be slow, costly, and is often perceived by families as intrusive.

Separately, individuals may execute advance healthcare directives (Article 60 CCCN), recording consent to or refusal of future medical treatment and nominating a decision-maker for when they can no longer express their will – the instrument closest to a healthcare proxy.

Argentina does not recognise a lasting or durable power of attorney: under Article 380(b) CCCN, a power of attorney terminates automatically upon the principal's supervening incapacity. In practice, general powers of attorney are nonetheless commonly used beyond that point, since third parties cannot verify incapacity in the absence of a judicial declaration. This reflects observed market practice rather than a recommended course. For smaller or less complex estates the risk is often contained, but where the patrimony is more substantial – particularly where it includes shares or operating interests in companies – such acts are technically voidable and can give rise to real risk of future challenges. This is compounded where those shares qualify as jointly owned (ganancial) assets, since Article 470 CCCN requires spousal consent (asentimiento conyugal) for their disposal, a personal act that cannot be rendered by an attorney-in-fact on behalf of an incapacitated principal. In that scenario, judicial intervention becomes effectively unavoidable.

8.4 Elder Law

The Medical Anticipated Directives (Directivas Médicas Anticipadas) are a relatively new method (regulated in the CCCN) by which a capable person can anticipate directives and grant power of attorney regarding their health and foreseeing their own potential incapacity. A person (or more than one) may be appointed to express consent to medical acts and act as curator. However, directives related to euthanasia are null and void, and can be freely revoked.

9. Planning for Non-Traditional Families

9.1 Children

Since the enactment of Law 23.264, and pursuant to the American Convention on Human Rights (Convención Americana sobre Derechos Humanos), Argentine law has not made a distinction between legitimate and illegitimate children (those born out of wedlock). Therefore, they have the same rights to inherit or to be included in a class of beneficiaries.

An adopted child is one who is taken into a family that is different from that of its natural parents, after a legal process is followed under the CCCN. Sections 594 to 637 of the CCCN distinguish between simple, full and integrative adoption.

9.2 Same-Sex Marriage

Argentine law recognises marriage between same-sex couples, so the same marital property regime applies in such cases. This has no special effect on the testator’s will, given that they have the same inheritance rights as any other spouses in a marriage. “Marriage” is defined as a union between one person and another of the same or opposite sex in a consensual and contractual relationship recognised by law – the consent to which is usually expressed in the presence of a public officer. Argentine law also recognises a civil partnership, which is a legal union or contract like a marriage between two people of the same sex.

9.3 Cohabitation and Unmarried Couples

The Unión Convivencial

Since the Civil and Commercial Code came into force in 2015, Argentine law has recognised unmarried cohabitation as a distinct legal category – *the unión convivencial* – rather than leaving it unregulated. The status is available to couples of any sex and arises from fact rather than formality: a public, notorious, stable and permanent cohabitation of at least two years between two people with no legal impediment to marry. Registration of the union is permitted and is advisable for evidentiary and administrative purposes, particularly in dealings with third parties, employers and social security bodies, but registration is not constitutive; an unregistered couple can still be recognised as *convivientes* based on the underlying facts.

Separation of property

The principal divergence from marriage lies in the patrimonial regime. Marriage defaults to a community-of-acquest regime, under which assets acquired during the marriage are in principle shared on dissolution, unless the spouses elect separation of property. Convivientes are not subject to any default community regime: each partner retains sole ownership and administration of their own assets, and the couple's finances remain legally separate unless they enter into a pacto de convivencia addressing contribution to household expenses, ownership of assets and the consequences of separation. In the absence of such an agreement, the relationship is, for patrimonial purposes, closer to a de facto separation-of-property regime, but without the contractual clarity that an actual election of that regime would provide within a marriage.

Protections

Notwithstanding this contractual freedom, the law imposes certain protections that the parties cannot waive, treating them as matters of public order rather than private arrangement. Where there are common children, the family home cannot be sold, mortgaged or otherwise encumbered by the owning partner without the consent of the other. On termination of the union, either partner may claim a compensación económica – a time-limited payment addressing any material imbalance caused by the union and its breakdown, comparable to, though narrower in scope than, the compensatory allowance available on divorce. Unlike spouses, however, convivientes owe each other no ongoing maintenance obligation during the relationship, except if there is a specific agreement providing otherwise.

Succession rights

It is in succession, however, that the two regimes diverge most significantly, and this is the area of greatest relevance to estate planning. A conviviente has no forced heirship rights and no standing in the order of intestate succession: on the death of a partner without a will, the survivor inherits nothing, irrespective of the duration or stability of the relationship, whereas a surviving spouse in the same circumstances would concur with descendants and hold a protected legitimate share. The only means of benefiting a partner on death is through a will, and then only within the portion of the estate that remains freely disposable once the legitim of any forced heirs (children, or in their absence, ascendants) has been reserved. The Code's sole concession is a temporary right of habitation, entitling the surviving partner to remain in the family home, rent-free, for up to two years, but only where that property was the sole habitable real estate in the estate – a protection of limited practical value in any estate of moderate complexity.

Tax implications

On the tax side, Argentina draws no distinction between married and unmarried couples: there is no joint filing regime for income tax under either status, and each partner is assessed individually, with a conviviente eligible to be claimed as a dependant (carga de familia) on the same basis as a spouse. Where provincial transfer taxes on gratuitous transfers apply, registered convivientes are generally brought within the more favourable brackets applicable to close family, comparable to spouses, though this depends on provincial rules that should be verified at the time of the transaction. For social security purposes, a registered conviviente is entitled to a survivor's pension on the same footing as a spouse, subject to a minimum duration of the union.

Status of the relationship

Argentina has, in effect, built a genuine intermediate status for unmarried couples rather than either disregarding the relationship or assimilating it fully as marriage: a baseline of protection is provided by law (the family home, the compensatory payment, the survivor's pension), while the patrimonial architecture of the relationship, and above all its succession consequences, are left to be constructed by private agreement and testamentary disposition. For advisers, the practical implication is that a will is essential, rather than merely advisable, for any client in a stable but unmarried relationship who wishes to benefit their partner, and this should be structured to make appropriate use of the freely disposable portion of the estate.

10. Charitable Planning

10.1 Charitable Giving

Charities are recognised under Argentine legislation, but there is no single regulatory authority for all charities in Argentina. In addition, unlike in many other jurisdictions, Argentine law does not provide an exact definition of a "charity".

Main Types of Not-for-Profit Organisations

Despite the lack of a proper legal definition, a charity can generally be defined as an organisation whose purpose is to work for the public benefit without making a profit. The two main types of not-for-profit organisations are as follows:

- Foundations (fundaciones) are non-profit legal entities created with certain funds or assets that have been endowed by their founders to carry out some specific activity for the public benefit without seeking profit. Foundations are governed by Chapter 3 of the CCCN.
- Civil associations (asociaciones civiles) are non-profit legal entities with a public benefit purpose, governed by Chapter 2 of the CCCN. Unlike foundations, they are incorporated by a number of people willing to carry out their charitable purpose for the benefit of those who are members of the organisation.

Incorporation of a Charity

To incorporate a charity, the founding members must file the following documents with the local Public Registry of Commerce (Inspección General de Justicia):

- constituting documents – memorandum of association and the by-laws (estatuto);
- a financial forecast for the first three years;
- details of activities to be performed during the first three years; and
- evidence of paid-in capital or assets – the assets initially donated or promised to the foundation must be at least prima facie sufficient to carry out its purpose to obtain registration by the relevant authority.

Registration of a Charity

Local registration is mandatory, with the appropriate registry being determined by the domicile of the foundation or association. By way of example, in the City of Buenos Aires, foundations and civil associations are registered with and controlled by the Public Registry of Commerce, which is the government agency with supervisory authority over companies registered in the City of Buenos Aires. In other provincial jurisdictions, the same body that controls commercial companies may also oversee the regulating of charities and registering them in the local Public Registry of Commerce.

Once the charity is registered with the Public Registry of Commerce, it must be registered with AFIP, which will provide the charity with an identification number, identifying the organisation as a charity, with all the applicable tax exemptions.

Benefits

The benefits for individuals when setting up a charitable organisation are as follows:

- A separate legal personality – the law recognises the charity as having a separate legal personality to that of its founders or members, so people may engage in charitable activities limiting their responsibility, and the charity's assets are segregated from the patrimony of the founder.
- Tax benefits – most charities are exempt from property tax and/or VAT, and are income tax-exempt, provided the income is:
    - used for charitable purposes only; and
    - not directly or indirectly distributed among its members, founders or directors.

10.2 Common Charitable Structures

See 10.1 Charitable Giving.

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