

118TH CONGRESS
1ST SESSION

H. RES. 487

Supporting the ratification of the Chilean tax treaty.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 2023

Mr. CONNOLLY (for himself, Ms. SALAZAR, and Mr. CASTRO of Texas) submitted the following resolution; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

RESOLUTION

Supporting the ratification of the Chilean tax treaty.

Whereas Chile is one of the United States strongest partners in the Western Hemisphere;

Whereas the United States signed a free trade agreement in 2004 that allows for the duty-free export of all United States consumer and industrial goods to Chile;

Whereas the signing of a free trade agreement eliminated tariffs, provided intellectual property protections, enabled regulatory transparency, prohibited anticompetitive business conduct, and required labor and environmental protections;

Whereas bilateral trade between the United States and Chile in goods and services reached \$38,400,000,000 in 2021, and United States goods exports to Chile amounted to \$17,300,000,000 in 2021;

Whereas, in 2022, United States-Chile merchandise trade amounted to \$38,900,000,000, including \$23,300,000,000 of United States goods exports to Chile and \$15,600,000,000 of United States goods imports from Chile;

Whereas the United States and Chile are celebrating 200 years of relations in 2023;

Whereas the United States and Chile signed a bilateral tax treaty on February 4, 2010;

Whereas, in 2014, Chile passed new tax legislation, which increased corporate tax rates in Chile;

Whereas, without a ratified bilateral tax treaty, United States companies with operations in Chile will be subject to a tax rate of up to 44.45 percent in 2027;

Whereas companies headquartered in 35 countries with which Chile already has bilateral tax treaties in force will continue to be subject to a 35-percent tax rate, leaving United States businesses at a significant competitive disadvantage;

Whereas the Committee on Foreign Relations of the Senate reported the bilateral tax treaty favorably in 2014, 2016, 2022, and most recently on June 1, 2023; and

Whereas China is among the United States competitors with which Chile already has a tax treaty in force: Now, therefore, be it

1 *Resolved*, That the House of Representatives—

1 (1) recognizes the long-standing United States-
2 Chile partnership;

3 (2) reaffirms the importance of expanded bilat-
4 eral economic ties for advancing the prosperity of
5 both countries; and

6 (3) urges the Senate to provide its advice and
7 consent to ratification of the bilateral tax treaty with
8 Chile.

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