

Gateway to Mercosur*

Uruguayan Free Zones...



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Distances from Montevideo to regional cities:

	Kilometers	Flight time
Argentina		
Buenos Aires	640 (by highway) 230 (by highway and river) 200 (by river)	30 minutos
Rosario	880	1 h 10'
Santa Fé	740	1 h
Córdoba	1.050	1 h 20'
Mendoza	1.520	2 h
Brazil		
Sao Paulo	1.970	2 hs 30'
Río de Janeiro	2.400	3 hs
Porto Alegre	870	1 h
Curitiba	1.000	2 h 15'
Paraguay		
Asunción	1.550	2 hs
Chile		
Santiago	1.900	2 hs 30'



Mercosur Sede building

Uruguayan Free Zones...

With unequalled comparative advantages for manufacturing, commercial and service endeavors, the Uruguayan Free Zone is an indispensable tool for companies seeking to do business in South America's Southern Cone.

In 1987, a new Free Zone law went into effect, which updated regulations to be in line with investors' current needs. The Uruguayan government's commitment to retain these new benefits and the environment of this preferential system for business operations is guaranteed by law.

Free Zone companies are also employed by foreign investors to optimize regional business activity results.

The Uruguayan government, which respects all contracts and capital transfer freedoms, has implemented stable economic policies that have further supported development. Foreign companies are assured the same treatment as domestic enterprises and there are no discriminating registries or special requirements for investment.



CONGRESS - Site of the Legislative Power
Picture obtained from the Ministry of Tourism

PwC services at Zonamerica

- Investment search analysis
- International tax planning, with specific advice on international treaties, cross-border transactions, tariff structures and transfer pricing.
- Local and regional project implementation.
- Formation or acquisition of local and offshore companies.
- Integrated administrative and accounting services, including financial statement preparation with adaptation to international standards.
- Compensation process outsourcing.
- Integrated legal consulting.
- Auditing services.
- Technology Assistance and Help Desk services.



Free Zones in Uruguay

Free Zones are enclosed, separate areas within the national territory where various manufacturing, commercial and service activities are carried out under a special legal framework offering customs duty exemptions, tax benefits and freedom from state utility monopolies.

Free Zones with the greatest activity include Montevideo (Zonamerica), Colonia, Nueva Palmira and Florida.Las

Various manufacturing, commercial and service activities may be carried out at the Uruguayan Free Zones including:

Commercialization, warehousing, storage, processing, selection, classification, fractioning, assembly, disassembly, manipulation or consolidation of merchandise and raw materials of domestic or international origin.

- Manufacturing facility installation and operation.
- Rendering of various services
- Other activities beneficial to the domestic economy or international economic and social integration (as deemed by the Executive Branch.)

PricewaterhouseCoopers

PwC is the leader in Uruguay in consulting services for regional activities and the only company able to offer top quality, professional consulting directly where clients have their investments.



Shipping Hub - Robert Essel - Corbis Images

We are present in Zonamerica Business & Technology Park

Our Professional Consulting center at Zonamerica (formerly Montevideo Free Zone) is focused on integrated support for the investor throughout all stages of the endeavor in the region.

Our firm has a wide-ranging group of specialized professionals with vast experience in cross-border operations. Taking advantage of the strategic geographic location of our consulting office where the investor has interests, our team works full time to find business opportunities for our clients.

Free Zone operating advantages

Free Zone operating advantages include a combination of:

- Wide-ranging tax exemptions on domestic taxes and customs duties
- Well-trained human resources at competitive costs
- World-class infrastructure and a strategic regional location

Advantages of operating from the Free Zone

Wide-ranging tax exemptions

As compared to similar systems in other countries, tax exemptions for Free Zone users are not limited to foreign trade customs duties; national taxes are covered as well. Features include:

- Exemptions on all current and future national taxes, including those that require specific exemption by law.
- Exemptions on special social security contributions (CESS) for foreign personnel and company directors operating in the Free Zone.
- Exemptions on customs tariffs and national taxes applied to the import of goods, services, merchandise and raw materials, regardless of origin.
- Government guarantees tax exemption continuity.

Free Zone users are exempt from:

- Income tax
- Value added tax
- Specific consumption taxes
- Capital tax
- Special taxes on specific assets or income
- Customs duties

Non-tax benefits

Advantages of operating in freedom

- Mandatory use requirements for domestic components do not apply to goods produced in Free Zones.
- State-owned monopolies, including telecommunications and electricity, do not participate in Free Zones.
- Special rates for services and supplies of public utilities are offered to Free Zone users.
- Complete freedom to transfer foreign and domestic currency, precious metals and financial certificates both in and out of the Free Zones. Holding, sales, circulation, conversion and transfer to third parties is also permitted.

Ample freedom to obtain local and international bank loans.

Individuals or entities that desire Free Zone benefits must become either direct or indirect Free Zone users and may not carry out activities in non-Free Zone areas.



Logistics

Principal aspects

- Regional distribution and logistics center
- Merchandise operations: fractioning, classification, manipulation, transformation and manufacturing
- Foreign trade intermediation and negotiation
- Multinational transportation center
- Quality control

These aspects present significant advantages for multinationals operating in the region involved in manufacturing, commercial and logistics operations. Free Zones offer tax exemptions and a complete infrastructure for the entry, maintenance and modification of inventories at the Free Zone as well as distribution channels to other countries, all completely tax free.



Zonamerica Business & Technology Park - @1 Building - Silicon Plaza

The magnitude of a warehouse - Picture Press - Corbis



Manufacturing

At Uruguayan Free Zones, the installation and operation of manufacturing complexes is permitted. With its geographic location, high quality human resources known for technical training and tax exemptions guaranteed by law, a combination of advantages is available that is unique in the region.

Logistical support is an additional activity that can be carried out from the Free Zones and enjoys the same benefits as production ventures.

Services

The following services may be offered from the Free Zones:

- Regional centers for rendering of services
- Regional treasury centers
- Software and information technology development
- Financial and banking service rendering
- Financial and banking service centers
- International call centers
- Research and Development centers