

## **GUIDE TO SET UP AND MAINTAIN A COMPANY IN ARGENTINA**

### **1) Introduction**

Regardless the business field of the investment, there are certain general steps to start a business in Argentina and to keep it in a legal good standing. Following, we will set forth a general guide aimed as reference for those wishing to do or already doing business in Argentina. The guide describes the formation process of a *Sociedad Anónima* (or SA) for being this vehicle the most suitable one to channel foreign investments.

### **2) Steps to incorporate a company**

- a) To register before the Public Registry of Commerce (or PRC) the foreign companies that will be the shareholders of the future locally incorporated one;
- b) To reserve the intended company name before the PRC;
- c) To sign the deed of incorporation before a national certified public notary.
- d) To deposit at least 25% of the subscribed capital stock in the National Bank of Argentina (*Banco de la Nación Argentina*);
- e) To publish a notice about the formation of the company in the legal official paper (*Boletín Oficial*);
- f) To buy a caution insurance policy to comply with the managers' guarantee regime;
- g) To pay the PRC's incorporation fee and file for incorporation;
- h) To buy special books and get them rubricated by the PRC;
- i) To obtain a tax identification number (*Clave Única de Identificación Tributaria* or CUIT) from the National Tax Office (*Administración Federal de Ingresos Públicos* or AFIP);
- j) To get a turnover tax identification at the jurisdiction level;
- k) To register with the social security agency (*Sistema Único de Seguridad Social* or SUSS);
- l) To get an labor risk insurance for employees with a risk labor insurance company (*Aseguradora de Riesgos del Trabajo* or ART) are private companies;
- m) Rubricate books of wages in the Ministry of Labor.

As to the facilities, the company must also secure its premises, either buying real estate or leasing entering into a commercial renting agreement.

After completion of the incorporation process, there are certain corporate requirements the company has to comply with on a regular basis that will be covered in future newsletters.

Please, feel free to contact us if you need further information about the topics covered.

Mario E. Castro Sammartino