



Investor's Guide

Entry requirements in Uruguay

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galante[&]martins

Author: Galante & Martins

Prepared by:

Dr. Diego Galante, Partner

Dra. Giorgina Galante, Associate

Contact:

info@galantemartins.com

For more information see: [Directory of Services /galante-martins/](#)

The information and data contained in this document are current as per official sources available at the time of preparation of this informative chapter, and they are not to be construed as professional or commercial advice or counsel.

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INTRODUCTION

The residence permit is the governmental authorization that enables a foreigner to legally stay and work in our country.

To apply for a residency, you must submit an application to the National Migration Directorate of Immigration according to the type of residency that best suits your situation:

- » The **Provisional Identity Card**, which will enable you to work for a maximum period of 180 (one hundred and eighty) days. This is granted only once and there is no possibility of extension.
- » **Temporary Legal Residence**, which is suitable for cases in which the applicant intends to stay in the country for a period longer than 180 (one hundred and eighty) days but less than 2 (two) years. If the person is a foreigner from Argentina, Brazil, Paraguay, Venezuela, Bolivia, Chile, Colombia, Ecuador, Guyana, Peru or Surinam, he/she may apply for the MERCOSUR Temporary Legal Residence with the advantage of not having to prove means of living or domicile.
- » The **Definitive Legal Residence**, which is suitable for those cases in which the intention is to remain in the country for a period of more than 2 (two) years, or if your temporary residence expires and you want to become a definitive legal resident.

It is also possible to obtain a "Tax Residency" stipulated by the current regulations. The tax resident status in Uruguay means that an individual may be considered a taxpayer by the National Tax Authority (DGI) when -in the opinion of the DGI- the person meets two requirements: 1) permanence in Uruguay for more than 183 (one hundred and eighty three) days in a calendar year (continuous or discontinuous); or 2) settlement in Uruguayan territory as the "main nucleus or base of his/her activities or of his/her economic or vital interests". Since Uruguay's general tax regime is based on the principle of territoriality of source (i.e., only income generated or produced in the country is taxed, with some specific exceptions), the same rules, criteria and taxes will apply to those who obtain tax residency as to other Uruguayan taxpayers, including possible initial tax benefits, and excluding any requirement to pay taxes on the basis of universal or global income. This framework is detailed in the [tax chapter](#)¹ of this Guide.

To this end, the website [Live in Uruguay](#) contains all the information of interest for a foreign person interested in living, working, studying and starting a business venture or investing in Uruguay, including the topics previously mentioned.² The above-mentioned aspects are covered below in greater detail.

¹ <https://www.uruguayxxi.gub.uy/en/invest/investors-guide/tax-system/>

² <https://www.liveinuruguay.uy/covid19-entry>

1

TEMPORARY ENTRY: NON-RESIDENTS

Any person intending to enter our country must have a valid passport. On certain occasions, a visa is also required prior to the date of entry, depending on the citizen's nationality. You may obtain information on the countries that require a visa at the [Ministry of the Interior](#).³

All citizens of Argentina, Brazil, Chile, Colombia, Ecuador, Peru, Paraguay, and Venezuela may enter Uruguay by producing only their national identity card, without the requirement of a passport.

³ You may access the information in the following link: <https://migracion.minterior.gub.uy/>

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VISAS

Uruguay requires that some nationalities must apply for a permit (visa) prior to entering the country.

Uruguayan consulates abroad are in charge of receiving visa applications and providing information on the requirements to apply for a visa.

The authorization of the visa is the responsibility of the National Migration Directorate and generally takes at least 20 working days from its request. Once the consulate receives the written authorization, it is in a position to issue the visa and stamp it in the holder's passport.

All those applying for a visa must provide a contact person in Uruguay or a hotel reservation, a telephone number, and an address.

Decree No. 356/018 lists different types of visas according to the reason for entry into the country:

- » Tourist Visa
- » Business Visa
- » Work Visa
- » Study Visa
- » Family reunification visa
- » Humanitarian and emergency visa
- » Visa for national or international conferences, conventions and seminars.

For further information on visa requirements and countries for which visas are required, see the following [link](#).⁴

⁴<https://www.gub.uy/tramites/inicio-solicitud-visas>

3

WORK IN URUGUAY: RESIDENTS

Legal or migratory residence is substantially regulated under Law No. 18.250 ("Immigration Law") and its Regulatory Decree No. 394/009.

Unlike fiscal residence, which involves taxation issues, legal (or migratory) residence refers to the place where a given person has a stable stay, i.e., the place where he/she lives and carries out his/her main social or economic activities. Legal residence implies the initiation of an administrative process at the request of a foreigner interested in residing and carrying out activities in Uruguay.

In Uruguay, current regulations distinguish between two immigration categories: (i) non-residents; and (ii) residents. In turn, within the latter, subcategories of "permanent residents" and "temporary residents" are distinguished, depending on the purpose and length of stay in the country.

However, every foreigner who is a legal resident of Uruguay has the same labor rights as citizens, with respect to admission to employment, pay, working conditions, and access to professional training, among others aspects.

Foreigners who have not obtained legal residency are disqualified from performing any kind of work or activities. The law establishes that no company may proceed to hire or record in its Work Control Form foreigners who do not prove that they are duly authorized to legally work in the country, either on a permanent or temporary basis.

Legal residence may be requested by any foreigner, who must initiate the procedure and in the same act will be given a migratory certificate to obtain the provisional identity card before the National Directorate of Civil Identification.

3.1 PROVISIONAL IDENTITY CARD

The Provisional Identity Card is an authorization that enables the foreigner to work for a maximum period of 180 (one hundred and eighty) days. It is granted only once and there is no possibility of extension.

All foreigners who apply for temporary residence for a period of less than 6 (six) months must:

- » Prove before the National Direction of Migration the activity that gives origin to its request.
- » Indicate the date of end of the activity.
- » Attach a notarized certificate certifying all the data of the institution or company.
- » Attach a copy of the identity card or travel document of the applicant.

Once the above requirements have been duly accredited, a certificate is issued for the purpose of granting a Provisional Identity Card by the National Directorate of Civil Identification, in order to proceed to registration with the Social Security and Social Security Agencies, and with the Ministry of Labor and Social Security.

3.2 TEMPORARY RESIDENCE

This residence is appropriate when the foreigner stays in the country for a period of not less than 180 (one hundred and eighty) days and a maximum of 2 (two) years, term that can be extended according to the reason of his/her admission as temporary. The term of stay may be renewed for an additional period of 2 years, with a maximum of 4 (four) years. In case of opting for this type of residence, the interested party must present his/her request before the National Migration Directorate.

Nationals of Argentina, Brazil, Paraguay, Venezuela, Bolivia, Chile, Colombia, Ecuador, Guyana, Peru or Surinam may apply for the MERCOSUR Temporary Residence, with special preferential conditions for temporary residence procedure.

In general, the regulation establishes that the following must be submitted for the application process:

- » Original identity document with which the applicant entered the country.
- » ID photo of the applicant
- » Valid health card issued by a healthcare institution authorized by the Ministry of Public Health of Uruguay.
- » Current vaccination certificate proving that the foreigner complies with the vaccination schedule in place in our country.

» Documentation that demonstrates the activity that gives origin to his admission as Temporary Resident.

» In the case of individuals over 18 (eighteen) years old, a criminal record certificate from his/her the country of origin and of the country where he/she resided the last 5 (five) years before entering our country, duly legalized, apostilled and translated into Spanish if applicable.

» Letter with the employer letterhead specifying the activity carried out and the term of contract, indicating the monthly pay if applicable and the means of support. Said letter must be accompanied by a notarized certificate with the company's data according to the legal nature of the company or a Work History document issued by the Social Security authority (BPS).

In the case of students, they must prove their status by means of an official certificate from the educational institution. In the case of a private institute, it must be accompanied by notarized certification of the existence of the institute and its comptroller. Additionally, the student must prove sufficient means to support himself/herself.

If the foreigner does not have his/her own means of support, he/she may be supported by a family member, and must prove such relationship. If the means of livelihood come from abroad, the foreigner must provide a notarized certificate stating the money received from abroad, detailing the amount, the place where the wire transfer is received and his/her relationship with the person who makes the wire transfer. This type of residence is granted for up to 1 (one) year, extendable for equal periods, not exceeding 2 (two) years of the total academic career.

In addition to complying with the above requirements, foreign citizens under 18 (eighteen) years old must:

» Attach express authorization from their parents to settle temporarily in Uruguay.

» Attach the minor's birth certificate.

» If the minor is not going to live with either of his/her parents, an adult who will be responsible for him/her in the country must be established.

» Proof of student status by means of an official certificate from the educational institution.

If the foreign citizen wishes to remain in the country for a period of time longer than that allowed by the temporary residence, he/she must initiate the procedure for Permanent Residence, prior to the expiration of the term of his/her temporary residence.⁵ This applies to nationals of both MERCOSUR and non-MERCOSUR countries.

⁵ In the case of religious persons belonging to churches, orders or congregations recognized in the country, who come to carry out activities related to their worship, teaching or assistance, they must also submit a certificate issued by the congregation or church to which they belong on letterhead, stating the activities to be carried out by the petitioners, the duration of their mission and proof of maintenance. A notarized certificate of the legal status and other data corresponding to the organization shall be attached.

3.3 LEGAL PERMANENT RESIDENCE

This type of residence is appropriate when the intention of the foreigner is to remain in our country for more than 2 (two) years, or when the temporary residence has expired and he/she wants to become a permanent legal resident. In case of opting for this type of residence, the applicant must submit his application before the National Directorate of Immigration.

If permanent residence is granted, the length of stay is indefinite.

As in the case of temporary residence, citizens of Argentina, Brazil, Paraguay, Venezuela, Bolivia, Chile, Ecuador, Guyana, Peru, or Surinam, and foreign relatives of nationals in the country, have preferential treatment when applying for permanent residency.

In these cases, the procedure may be initiated directly in the country of origin (at the corresponding Uruguayan diplomatic office) and will be free of charge.

In order to apply for Permanent Legal Residence, a foreign citizen must meet certain requirements and produce the following documentation:

- » ID photo of the applicant.
- » Original identity document with which he/she entered the country.
- » Valid occupational health card issued by public or private healthcare providers authorized by the Ministry of Public Health of Uruguay.
- » Valid vaccination card, checked by a vaccination center in Uruguay that certifies that the foreign citizen complies with the Uruguayan vaccination requirements.
- » Documentation that demonstrates the means of living of the applicant, in accordance with the activity being carried out (except if the person is originally from a MERCOSUR member country).
- » A criminal record certificate duly legalized, apostilled and translated into Spanish -if applicable- from the country of origin and from the countries where he/she has resided in the last 5 (five) years for a period equal to or longer than 6 (six) months. Documentation from Brazil is exempt from translation into Spanish.
- » Birth and/or marriage certificate, if applicable. The birth certificate will be required exclusively when the applicant is under 18 (eighteen) years of age, and it must have been issued less than one year prior to the start of the procedure, which must be duly legalized or apostilled, and if required, translated.
- » Police certificate of good conduct.
- » A reliable proof of intent to permanently stay in the country.

4

LEGAL CITIZENSHIP

Current constitutional and legal regulations establish that any foreign person of good conduct, over 18 (eighteen) years old, may be a legal citizen of Uruguay, provided that he/she meets any of the following criteria:

1. Has a family constituted in the Republic, who possessing some capital or property in the country or practicing some science, art or industry, have three years of continued residence in the Republic.
2. Does not have family constituted in the Republic, but has any of the qualities of the previous paragraph and five years of habitual continued in the Republic.
3. Obtains a special permit from the Parliament's General Assembly for notable services or relevant merits.

In order to initiate the procedure, the applicant must present proof of:

- » Authorization to reside in the country.
- » Nationality.
- » Age.
- » Identity.
- » Residence.
- » Constituted family.
- » Rootedness.
- » Good conduct.
- » Democratic ideas.

The applicant will be required to appear before the Electoral Court, where all matters related to the requested citizenship will be processed. The procedure is free of charge, and once approved, it lasts indefinitely.

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TAX RESIDENCE

In order to obtain complete and detailed information on the Uruguayan tax system applicable to tax residents, please refer to the tax chapter of this Guide ([link](#))⁶, however, we briefly indicate some guidelines of this special regime below.

Under Uruguayan law, an individual is considered to be a resident for tax purposes in Uruguay if any of the following circumstances apply:

1. The individual has stayed in Uruguay for more than 183 (one hundred and eighty-three) days during a calendar year, including sporadic absences and unless the taxpayer proves his tax residence in another country; or
2. He/she has in this country its main place of business, the base of his/her activities or economic or vital interests.

Scenario 1 - Stay in the country

In order to determine the period of stay in Uruguay of individuals, all the days in which the effective presence in the country is recorded (regardless of the time of entry and exit) will be considered, not counting the days in which the person remains as a passenger in transit. Likewise, based on the regulations in force, absences from Uruguayan territory would be considered "sporadic" to the extent that they do not exceed a total of 30 consecutive days, unless the taxpayer proves to have tax residence in another country by submitting the certificate of residence issued by the corresponding tax authority. This is demonstrated by submitting the Certificate of Arrival issued by the National Migration Directorate.

Scenario 2 - Main place of business, base of activities or economic or vital interests.

To determinine the "Main place of business, the base of his/her activities or economic or vital interests in the country", the following criteria must be considered, depending on each case:

⁶ <https://www.uruguayxxi.gub.uy/en/invest/investors-guide/tax-system/>

Table 1 - Criteria for determination of tax residency according to cause

Cause	Interpretative criteria
Main place of business, base of activities in Uruguay	<p>Generation in Uruguay of income of greater volume than in other countries.</p> <p>Note: It will not be considered "base of activities" when the income obtained is purely from capital, even if the totality of the assets is in this country.</p>
Vital interests	<p>Permanent (migratory) residence in Uruguay of spouse and minor children, provided that the spouse is not legally separated and the children are subject to parental authority.</p> <p>Note: If there are no children, the presence of the spouse is sufficient.</p>
Economic interests	<p>Investment in Uruguay in any of these assets and situations:</p> <ul style="list-style-type: none"> » Real estate with a value of more than USD 1,660,400 (estimated values as of July 2021)⁷, considering the updated value of each property for tax purposes. » Direct or indirect investments in companies with a value of more than USD 4,981,200 (estimated values as of July 2021)⁸, which include activities or projects declared of national interest. » Real estate with a value of more than USD 387,427 (estimated values as of July 2021)⁹, considering the updated value of each property for tax purposes, provided that the investment was made after July 1, 2020 and as long as the applicant is physically present in Uruguay for least 60 (sixty) days during the calendar year. » Directly or indirectly owning an interest in a company for a value of more than USD 1,660,400 (estimated values as of July 2021)¹⁰, provided that the investment was made after July 1, 2020 and generates at least 15 (fifteen) new direct jobs in a relationship of full-time employment during the calendar year. For such purposes, the investment accumulated from the above-mentioned date and until the end of the corresponding calendar year will be computed. Note: new jobs will be considered as such as long as they are not related to a reduction of jobs in related entities.

⁷ The values are indicated in U.S. dollars for better understanding, but must correspond at all times to the amount fixed in the regulation of 15,000,000 Indexed Units (UI). The daily value of the UI can be checked at <https://www.ine.gub.uy/web/guest/valores-antiores>. Equivalent to 15,000,000 Indexed Units (UI).

⁸ Equivalent to 45,000,000 UI.

⁹ Equivalent to a 3,500,000 UI.

¹⁰ Equivalent to 15,000,000 UI.

The settlement in the national territory of the main base of activities must be proven by means of a notarial or accounting certificate of total income, attaching the taxpayer's statement indicating that the applicant has no other income than those referred in the certification.

Residence in the national territory of the main base of vital interests must be proven through any documentation that is considered pertinent, such as, enrollment of the child or children in an educational institution, proof of medical coverage, proof of membership in sports clubs, etc.

If an individual does not prove to meet with any of the requirements in the terms indicated, he/she would not be considered a tax resident in Uruguay, and would not be included as a taxpayer of the taxes determined for this status (mainly, the Individual Income Tax -IRPF- or the Wealth Tax -IP-). In fact the status of taxpayer could become fully applicable for non-residents who obtain income from Uruguayan sources (typically the Non-Resident Income Tax, IRNR).

In order to prove the tax residency of a legal entity, a notarized certificate must be presented stating the following:

» In the case of legal persons or entities incorporated in accordance with national laws: proof of incorporation in accordance with national laws, domicile in the country for the requested period (fiscal and incorporated), representation of the company, statement that there is no relocation abroad in process.

» In the case of legal persons or entities not incorporated under national laws: proof of completion of the formal procedures required by applicable laws and regulations to establish their domicile in the country, domicile in the country for the period requested, representation of the company, statement that there is no relocation abroad in process.

Currently, if the tax resident status is recognized by the competent authorities, a Tax Residency Certificate will be issued in the form of a digitally signed file, which is sent to the applicant's e-mail address.

6

INCENTIVES TO FOREIGN IMMIGRATION

Immigration Law determines, as inalienable rights of all immigrants and their families, the right to migration, family reunification, process and access to justice, as well as equal rights with nationals, without any distinction based on sex, race, color, language, religion or conviction, political or other opinion, national, ethnic or social origin, nationality, age, economic situation, property, marital status, birth or any other condition.

The incentives to the immigration of foreigners are a consequence of the policies that seek to encourage foreign investment in our country, including Uruguayan citizens who have resided abroad during the previous two (2) years and who settle in the country, bringing capital to invest in activities that advance economic, social or cultural development.

Immigration Law also determines the equal treatment of migrants and Uruguayans. The State guarantees the right to equal treatment of nationals and all foreigners entering and staying in the country, complying with the forms and conditions established in the Law, in terms of both rights and obligations.

With regards to work within the country, foreigners and nationals shall receive equal treatment regarding labor rights in all aspects, such as admission to employment, remuneration or salary, working conditions, access to means of professional training, claims for labor matters, etc. Under certain conditions, the introduction of tools, machines, devices and instruments necessary for the exercise of their profession, art or trade is exempt from duties, as well as goods for personal use, household goods and appliances.



FAST TRACK FOR EXPORTING COMPANIES - TEMPORARY RESIDENCES

Exporting companies that wish to employ people (investors, workers, technicians, managers and mid-level managers) from abroad, may access the service of the Uruguay XXI agency, specialized in promoting investments and exports, which will facilitate the processing of visas and/or temporary residences. This service is applicable for foreigners who have already entered the national territory as tourists and also for those who can start process in their country of origin through the Uruguayan diplomatic missions.

See more information about all the requirements to enter¹¹ Uruguay at [Live in Uruguay](https://www.liveinuruguay.uy).¹² This website compiles all the information of interest for a foreign individual interested in living, working, studying, starting a business or investing in Uruguay, available in Spanish and English.

¹¹ <https://www.liveinuruguay.uy/entryprocedures>

¹² www.liveinuruguay.uy



WHO WE ARE

We are the agency responsible for the promotion of exports, investment and country brand. We work to enhance the export capacity and competitiveness of Uruguayan companies, promote the country as an attractive destination for productive investments and promote the country brand Uruguay Natural in the world.

Together with other institutions, we are part of the National System of Productive Transformation and Competitiveness (Transforma Uruguay) that works to promote the productive and innovative economic development of the country, with sustainability, social equity and environmental and territorial balance.



Rincón 518/528 - ZP 11000
Tel.: (598) 2915 3838
www.uruguayxxi.gub.uy



OUR SERVICES FOR INVESTORS

- Macro and sectorial information. Periodically, Uruguay XXI prepares studies on Uruguay and the various sectors of the economy.
- Tailor-made information. We prepare personalized information to answer your specific questions, such as macroeconomic data, labor market information, tax and legal aspects, investment incentive programs, location, and costs.
- Contact with the main actors. We generate contacts with government entities, industrial actors, financial institutions, R&D centers and potential partners, among others.
- Promotion. We promote investment opportunities in strategic events, missions and business rounds.
- Facilitation of visits to the country of foreign investors, including organization of agenda of meetings with, for example, public authorities, suppliers, potential partners and business chambers.
- Support in establishment and expansion. We facilitate your establishment in the country and support you to achieve the growth of your business in Uruguay.





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