



# GUIDE TO GOING GLOBAL CORPORATE

*Argentina*



Downloaded: 20 Apr 2024

## INTRODUCTION

Welcome to the 2023 edition of DLA Piper's *Guide to Going Global – Corporate*.

### GUIDE TO GOING GLOBAL SERIES

To compete and be successful today, companies need to develop and scale their businesses globally. Each country presents its own set of unique laws, rules and regulations and business practices that companies must understand to be successful. In order to help clients meet the opportunities and challenges of expanding internationally, we have created a handy set of global guides that cover the basics companies need to know when going into and doing business in new countries. The *Guide to Going Global* series reviews business-relevant corporate, employment, intellectual property and technology, executive compensation, and tax laws in key jurisdictions around the world.

### CORPORATE

The *Guide to Going Global – Corporate* has been created based on our research, our experience and feedback we have received from clients in both established and emerging businesses that have expanded internationally. We hope it will be a helpful resource for you.

The *Guide to Going Global – Corporate* covers corporate basics in 54 key jurisdictions across the Americas, Asia Pacific, Europe and the Middle East. We touch on a wide range of corporate issues for companies expanding internationally, including establishing a corporate presence and choice of entity, liability considerations, tax presence and tax filings, capital requirements, the formation process, director, officer and shareholder requirements, registration processes, office lease processes and possible exit strategies.

With more than 600 lawyers, DLA Piper's global Corporate group is one of the largest in the world, with one of the widest geographical footprints of any global law firm and experience across the legal areas companies need as they expand internationally. With both global experience and local knowledge, we partner with our clients wherever they do business to find solutions and manage their risk in relation to their challenges and objectives.

While this guide provides high-level guidance, it is not a substitute for legal advice, and we encourage you to seek advice regarding the specific matters that concern you. If you wish to speak to any of our contributors, you may find their contact details at the end of the guide.

We hope you find this guide valuable, and we welcome your feedback.

This publication is provided to you as a courtesy, and it does not establish a client relationship between DLA Piper and you, or any other person or entity that receives it.

This is a general reference document and should not be relied upon as legal advice. The application and effect of any law or regulation upon a particular situation can vary depending upon the specific facts and circumstances, and so you should consult with a lawyer regarding the impact of any of these regimes in any particular instance.

DLA Piper and any contributing law firms accept no liability for errors or omissions appearing in this publication and, in addition, DLA Piper accepts no liability at all for the content provided by the other contributing law firms. Please note that corporate law is dynamic, and the legal regime in the countries surveyed could change.

No part of this publication may be reproduced or transmitted in any form without the prior consent of DLA Piper.

## ARGENTINA



Last modified 18 May 2023

### FORM OF ENTITY

#### Corporation (*Sociedad Anónima* or SA)

Separate and distinct legal entity. Admits a minimum of 2 shareholders. Managed by a board of directors who are elected by the stockholders of the corporation.

#### Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Separate and distinct legal entity. Admits exclusively 1 shareholder. SAUs are not allowed to be incorporated or wholly owned by SAUs. Managed by a board of directors who are elected by the only stockholder of the corporation.

#### Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

Separate and distinct legal entity. Admits 1 or more shareholders. Managed by a board of directors who are elected by the stockholders. Its incorporation and development are entirely digital.

#### Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

Separate and distinct legal entity. Admits a minimum of 2 members and a maximum of fifty. Managed by a single manager or several managers with full powers who may act individually, or by a Board of Managers acting by majority, appointed by the members.

### ENTITY SET UP

#### Corporation (*Sociedad Anónima* or SA)

- 2 or more shareholders
- The local management is in charge of a board of directors, which may have at least 1 member with no maximum number (at least 3 directors and 1 alternative director in case the company's capital stock exceeds ARS50 million). Directors shall last between 1 and 3 years in office, as provided in the bylaws. They may be re-elected. The majority of the board of directors must be composed of Argentine residents.

- The president of the board is the legal representative of the company
- Statutory auditor is optional. Mandatory if capital stock exceeds ARS50 million
- Typical charter document: bylaws
- Corporate Books: stock ledger, shareholders' meeting minutes, board of directors' meeting minutes and attendance records book
- Should cash be paid out as consideration for the stock: only 25 percent must be paid up front, and the balance is paid within 2 years after that. When considerations for the stock are contributions in kind, the stock must be fully paid off at the time of subscription of the shares

## Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

- Only 1 shareholder
- The local management is in charge of a board of directors, which may have at least 1 member with no maximum number (at least 3 directors and 1 alternative director in case the company's capital stock exceeds ARS50 million). Directors shall last between 1 and 3 years in office, as provided in the bylaws. They may be re-elected. The majority of the board of directors must be composed of Argentine residents
- The president of the board is the legal representative of the company
- Permanent control by government
- Statutory auditor is mandatory (at least 1 regular and 1 alternate statutory auditor)
- Typical charter document: bylaws
- Corporate books: stock ledger, shareholders' meeting minutes, board of directors' meeting minutes and attendance records book
- Capital stock shall be fully paid up upon execution of bylaws
- SAUs are not allowed to be incorporated or wholly owned by another SAU

## Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

- 1 or more shareholders
- The managers must be individuals, who may be appointed for an indefinite period. At least 1 director must be an Argentinean resident (provided that the Argentinian resident director is the legal representative of the company)
- Statutory auditor is optional



- Corporate books: carried by electronic means (stock ledger, minutes and attendance records book)
- Should cash be paid out as consideration for the stock: only 25 percent needs to be paid up front, and the balance is paid within 2 years after that. When considerations for the stock are contributions in kind, the stock must be fully paid off at the time of subscription of the shares

## Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

- 2 or more members
- The local management is in charge of single or several managers with full powers who may act individually, or a board of managers acting by majority. Managers may be appointed for an indefinite term. The majority of the board of managers must be composed of Argentine residents
- The legal representative of the company may be a single manager. All managers or a president of the board of managers are entitled with full powers
- Statutory auditor is optional. Mandatory if capital stock exceeds ARS50 million (at least 1 regular and 1 alternate member)
- Typical charter document: bylaws
- Corporate books: manager and quotaholders' meeting minutes.
- Should cash be paid out as consideration for the stock: only 25 percent must be paid up front, and the balance is paid within 2 years after that. When considerations for the stock are contributions in kind, the stock must be fully paid off at the time of subscription of the shares.

## MINIMUM CAPITAL REQUIREMENT

### Corporation (*Sociedad Anónima* or SA)

Minimum capital of SA is ARS100,000.

### Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Minimum capital of SAU is ARS100,000.

### Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

Minimum capital of SAS shall be twice the national minimum vital and mobile wage established at the time of its incorporation (as of January 2023: ARS 95,700).

### Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

No minimum capital requirement.

## LEGAL LIABILITY

### Corporation (*Sociedad Anónima* or SA)

Directors must act honestly and in good faith in best interests of the company. Directors may be held personally liable to the company, shareholders and third parties if they fail to comply with their general legal duties or specific duties contained in Argentine Law 19,550.

### Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Directors must act honestly and in good faith in best interests of the company. Directors may be held personally liable to the company, shareholders and third parties if they fail to comply with their general legal duties or specific duties contained in Argentine Law 19,550.

### Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

Liability of directors of a corporation under Law 19,550 is applicable to SAS managers. In addition, individuals who are not managers or legal representatives of an SAS, or legal persons acting as managers, are liable in the same way as managers, and their liability will be extended to the acts in which they did not intervene but which they habitually performed.

### Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

In case of SRLs, when articles allow distribution of management powers among individual members of the board of managers, the board's liability depends on the individual performance of each manager.

## TAX PRESENCE

### Sociedad Anónima (Corporation) and SRL (LLC)

An SA, same as an SRL (LLC), is considered an Argentine resident for tax purposes and is obligated to pay taxes on income obtained worldwide, whether earned within Argentina or abroad. An SA may take the sums effectively paid abroad for analogous taxes for activities carried out abroad as a payment for taxes (within certain limits).

## INCORPORATION PROCESS

### Corporation (*Sociedad Anónima* or SA)

File bylaws for registration with the Public Registry. An "urgent" registration process may be followed to obtain the company's registration and its tax ID within 20 business days, in case no observations are made by the Public Registry in the City of Buenos Aires.

### Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

File bylaws for registration with the Public Registry. An "urgent" registration process may be followed to obtain the company's registration and its tax ID within 20 business days, in case no observations are made by the Public Registry in the City of Buenos Aires.

## Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

File bylaws for registration with the Public Registry. There is an established form of bylaws and public notice that, if used, shall enable the registration of the SAS within 20 business days through digital means in the City of Buenos Aires.

## Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

File bylaws for registration with the Public Registry. An "urgent" registration process may be followed to obtain the company's registration, its tax ID and corporate books within 20 business days, in case no observations are made by the Public Registry in the City of Buenos Aires.

## BUSINESS RECOGNITION

### Corporation (*Sociedad Anónima* or SA)

Well regarded and widely used.

### Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

This corporate type was introduced in Argentina in August 2016 pursuant the Argentine Civil and Commercial Code modification and is beginning to be used. Well regarded and widely used.

### Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

This corporate type aims to be a more agile and economic alternative, both in its incorporation and in administration and management. Its incorporation and development are required to be entirely in digital form. However, some provinces or jurisdictions have restored the use of digital corporate documents for this type of company.

### Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

Well regarded and widely used. This is the type of company is usually preferred by foreign shareholders due to tax purposes.

## SHAREHOLDER MEETING REQUIREMENTS

### Corporation (*Sociedad Anónima* or SA)

Required to hold an annual meeting of shareholders to approve the financial statements of the company.

### Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Required to hold an annual meeting of shareholders to approve financial statements of the company.

### Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

Required to hold an annual meeting of shareholders to approve financial statements of the company.



Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

Required to hold an annual meeting of members to approve financial statements of the company.

## BOARD OF DIRECTOR MEETING REQUIREMENTS

Corporation (*Sociedad Anónima* or SA)

The board shall meet at least once every 3 months.

Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Periodical meetings of the board are not required.

Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

Periodical meetings of the board are not required.

Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

Periodical meetings of managers are not required.

## ANNUAL COMPANY TAX RETURNS

All corporations must annually file tax returns with federal and state tax authorities.

## BUSINESS REGISTRATION FILING REQUIREMENTS

Corporation (*Sociedad Anónima* or SA)

Initial registration is required, as well as annual filings (ie, financial statements of the company before the Public Registry and the Tax Authority). Every appointment or resignation of directors, change of domicile or bylaws' amendments must be filed with the Public Registry for registration.

Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Initial registration is required, as well as annual filings (ie, financial statements of the company before the Public Registry and the Tax Authority). Every appointment or resignation of directors, change of domicile or bylaws' amendments must be filed with the Public Registry for registration.

Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

Initial registration is required, as well as annual digital filings (ie. Financial statements of the Company before the Public Registry and the Tax Authority). Every appointment or resignation of directors, change of directors, change of domicile or bylaws' amendments must be filed with the Public Registry for registration.

Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

Initial registration is required. Only SRLs which capital stock exceeds ARS50 million shall file their annual financial statements with the Public Registry. However, all SRLs must file their financial statements with the tax authorities.

## BUSINESS EXPANSION

Corporation (*Sociedad Anónima* or SA)

No need to change as business expands.

Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

If the number of shareholders exceeds 1, the SAU must convert to an SA or SAS.

Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

No need to change as business expands.

Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

If the number of members exceeds 50, the SRL must convert to an SA or SAS.

## EXIT STRATEGY

Any corporate type shall file dissolution documents with the Public Registry.

## ANNUAL CORPORATE MAINTENANCE REQUIREMENTS

Corporations and single-shareholder corporations must pay annual fee to the Public Registry.

## DIRECTOR / OFFICER REQUIREMENTS

Not applicable for this jurisdiction.

For more information on directors' duties, see our [Global Guide to Directors' Duties](#).

## LOCAL CORPORATE SECRETARY REQUIREMENT

Not applicable for this jurisdiction.

## LOCAL LEGAL OR ADMIN REPRESENTATIVE REQUIREMENT

Not applicable for this jurisdiction.

## LOCAL OFFICE LEASE REQUIREMENT

In some circumstances, the Tax Authority requires evidence of the declared domicile.

## OTHER PHYSICAL PRESENCE REQUIREMENTS

Not applicable for this jurisdiction.

## SUFFICIENCY OF VIRTUAL OFFICE

Not applicable for this jurisdiction.

## PROVISION OF LOCAL REGISTERED ADDRESS BY LAW FIRM OR THIRD-PARTY SERVICE PROVIDER

A company must provide its registered address. In certain circumstances, a law firm office may provide the registered address until the local entity hires an office. In this case, the company is requested to move its registered office to its new location.

## PROVISION OF LOCAL DIRECTOR OR CORPORATE SECRETARY BY LAW FIRM OR THIRD-PARTY SERVICE PROVIDER

A company shall provide a local director. In certain circumstances, a law firm may provide a local director service at a monthly rate.

## NATIONALITY OR RESIDENCY REQUIREMENTS FOR SHAREHOLDERS, DIRECTORS AND OFFICERS

Corporation (*Sociedad Anónima* or SA)

Majority of members of the board must be Argentinean residents.

Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Majority of the members of the board must be Argentinean residents.

Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

At least 1 director must be Argentinean resident (provided that the Argentinean resident director is the legal representative of the company).

Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

Majority of the members of the board must be Argentinean residents.

## **RESTRICTIONS REGARDING APPOINTMENT OF NOMINEE SHAREHOLDERS OR DIRECTORS**

Not applicable for this jurisdiction.

## **SUMMARY OF DIRECTOR'S, OFFICER'S AND SHAREHOLDER'S AUTHORITY AND LIMITATIONS THEREOF**

Not applicable for this jurisdiction.

## **PUBLIC DISCLOSURE OF IDENTITY OF DIRECTORS, OFFICERS AND SHAREHOLDERS**

Not applicable for this jurisdiction.

## **MINIMUM AND MAXIMUM NUMBER OF DIRECTORS AND SHAREHOLDERS**

Corporation (*Sociedad Anónima* or SA)

- 2 or more shareholders
- Board of directors, which must have at least 1 member with no maximum number requirement (at least 3 directors and 1 alternative director in case the company's capital stock exceeds ARS50 million)

Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

- 1 shareholder
- Board of directors, which must have at least 1 member with no maximum number requirement (at least 3 directors and 1 alternative director in case the company's capital stock exceeds ARS50 million)

Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

- 1 or more shareholders
- The managers must be individuals, who may be appointed for an indefinite period

Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

- 2 or more members (within a maximum of 50 members)

- The local management is maintained by a single manager, several managers with full powers who may act individually, or a board of managers acting by majority. Managers may be appointed for an indefinite term

## MINIMUM NUMBER OF SHAREHOLDERS REQUIRED

Corporation (*Sociedad Anónima* or SA)

At least 2 or more shareholders.

Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

Only 1 shareholder is admitted.

Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

At least 1 shareholder.

Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

At least 1 or more members.

## REMOVAL OF DIRECTORS OR OFFICERS

Removal of directors or managers shall be approved by the shareholders meeting and then registered in the Public Registry.

## REQUIRED AND OPTIONAL OFFICERS

Not applicable for this jurisdiction.

## BOARD MEETING REQUIREMENTS

Not applicable for this jurisdiction.

## QUORUM REQUIREMENTS FOR SHAREHOLDER AND BOARD MEETINGS

Corporation (*Sociedad Anónima* or SA)

The Board makes decisions by a simple majority of directors present at the relevant meeting, with a quorum of an absolute majority of total number of directors, unless the company's articles provide for a higher quorum and majority.

In case of annual or regular shareholders' meetings, the required quorum shall be constituted by shareholders representing the majority of the voting shares. If quorum is not reached, the meeting may be held at a second call. In this case, the meeting is duly constituted with any number of shareholders present. On the other hand, special



meetings require the presence of shareholders representing 60 percent of the voting shares, unless the articles provide for a higher quorum. If quorum is not reached, the meeting may be held at a second call. In this case, the meeting is duly constituted with the presence of shareholders representing 30 percent of the voting shares, unless the articles provide otherwise.

## Single-Shareholder Corporation (*Sociedad Anónima Unipersonal* or SAU)

The board makes decisions by a simple majority of directors present at the relevant meeting, with a quorum of an absolute majority of total number of directors, unless the company's articles provide for a higher quorum and majority.

In the case of shareholders' meeting, quorum is reached if at least 1 shareholder of the company is present.

## Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

Meetings may be held physically or through digital means (ie, video or teleconference). Managers and members may call themselves to hold deliberations, with no need of prior notice. The management body's resolutions are valid as long as all members attend, and the majority as stated in the bylaws approve the agenda. Member's resolutions will be valid, provided that all partners attend and the agenda is passed unanimously.

## Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

The board makes decisions by a simple majority of the managers present at the relevant meeting, with a quorum of an absolute majority of total number of directors, unless the company's articles provide for a higher quorum and majority.

In case of annual or regular members' meetings, required quorum is constituted by the shareholders representing the majority of the voting shares. If quorum is not reached, the meeting may be held at a second call. In this case, the meeting is duly constituted with any number of shareholders present. On the other hand, special meetings require the presence of members representing 60 percent of voting shares, unless articles provide for a higher quorum. If quorum is not reached, a meeting may be held at a second call. In this case, the meeting is duly constituted with the presence of members representing 30 percent of voting shares, unless the articles provide otherwise.

## **MUST A BANK ACCOUNT BE OPENED PRIOR TO INCORPORATION, AND MUST THE BANK ACCOUNT BE LOCAL?**

Not applicable for this jurisdiction.

## **AUDITING OF LOCAL FINANCIALS. IF SO, MUST THE AUDITOR BE LOCATED IN LOCAL JURISDICTION, AND MUST THE COMPANY'S BOOKS BE KEPT LOCALLY?**

All companies must have at least annual financial statements audited. The auditor must be located in Argentina and the company's corporate and accounting books must be kept locally.

## REQUIREMENT REGARDING PAR VALUE OF STOCK

Not applicable for this jurisdiction.

## INCREASING OF CAPITALIZATION IF NEEDED

Not applicable for this jurisdiction.

## SUMMARY OF HOW FUNDS CAN BE REPATRIATED FROM YOUR JURISDICTION (IE DIVIDENDS OR REDEMPTION)

When approving annual financial statements, shareholders' meeting may resolve to distribute dividends, which will be transferred to respective shareholders.

## RESTRICTIONS ON TRANSFERABILITY OF SHARES

Corporation (*Sociedad Anónima* or SA)

No restrictions, unless otherwise provided in bylaws. Transfers are reported to the company and recorded in the Stock Ledger Book.

Single-Shareholder Corporation (*Sociedad por Acciones Unipersonal* or SAU)

No restrictions, unless otherwise provided in bylaws. Transfers are reported to the company and recorded in the Stock Ledger Book.

Simplified Corporation (*Sociedad por Acciones Simplificada* or SAS)

No restrictions, unless otherwise provided in bylaws. Transfers are reported to the company and recorded in the Stock Ledger Book.

Limited Liability Company (*Sociedad de Responsabilidad Limitada* or SRL)

No restrictions, unless otherwise provided in bylaws. Transfers shall be reported and registered with the Public Registry of Commerce.

## OBTAINING A NAME AND NAMING REQUIREMENTS

Corporate name must contain the type of company it adopted. Name may be reserved before registering the company by paying and filing a form with the Public Registry, in case the chosen name is available.

## SUMMARY OF "KNOW YOUR CLIENT" REQUIREMENTS

Not applicable for this jurisdiction.

## APPROVAL REQUIREMENTS FOR AMENDING CHARTER DOCUMENT

Amendments to bylaws in all companies must be approved by shareholders or members' meeting and then filed for registration by the Public Registry.

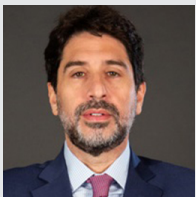
## LICENSES REQUIRED TO CONDUCT BUSINESS IN JURISDICTION

Not applicable for this jurisdiction.

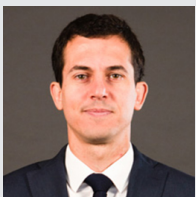
## PROCESS OF PURCHASING AND UTILIZING A SHELF COMPANY

Not applicable for this jurisdiction.

### KEY CONTACTS



**Martin Mittelman**  
Partner  
DLA Piper (Argentina)  
[m.mittelman@dlapiper.com.ar](mailto:m.mittelman@dlapiper.com.ar)  
T: +5411 41145500  
[View bio](#)



**Antonio Arias**  
Partner  
DLA Piper (Argentina)  
[a.arias@dlapiper.com.ar](mailto:a.arias@dlapiper.com.ar)  
T: +5411 4114 5500  
[View bio](#)

## **Disclaimer**

DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at [www.dlapiper.com](http://www.dlapiper.com).

This publication is intended as a general overview and discussion of the subjects dealt with and does not create a lawyer-client relationship. It is not intended to be, and should not be used as, a substitute for taking legal advice in any specific situation. DLA Piper will accept no responsibility for any actions taken or not taken on the basis of this publication.

This may qualify as 'Lawyer Advertising' requiring notice in some jurisdictions. Prior results do not guarantee a similar outcome.

Copyright © 2022 DLA Piper. All rights reserved.