

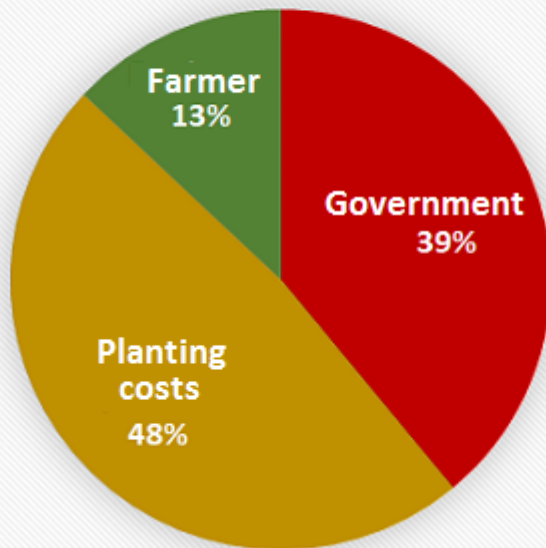
Tax burden for soybean growers in northern Argentina is equivalent to paying a 78%-income-tax

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A soybean grower that owns a 300 ha field in northern Argentina -600 km north from Rosario- obtains a gross income of US\$ 611 per hectare. This is US\$ 104 per hectare after taxes. Therefore, National, provincial and communal governments receive approximately US\$ 343 per hectare. Such a tax burden is completely disproportional and it discourages all productive effort. The National Government receives 40% of this income, 48% corresponds to planting and marketing costs and only 12% goes to the farmer. However, the grower is the actor that takes productive risks and create value through his own work and investment.

What's the distribution of a soybean hectare output in Northern Argentina?

Source: @BCRMercados



It is interesting to estimate the fiscal contribution of the provinces of northern Argentina. If they plant about 2.6 million hectares with soybeans, the producers of these territories would pay withholdings, income, personal assets and other national, provincial and communal taxes for about US\$ 892 million, almost US\$ 900 million for the production of soybeans only.