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Uruguayan president-elect plans to turn Montevideo into tax haven

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Montevideo, January 21 (RHC)-- Uruguay's president-elect Luis Lacalle has announced that he will facilitate the residence of some 100,000 high-income Argentines if they invest capital in his country, a proposal that reactivates the discussion about turning Uruguay back into a tax haven.

President Tabare Vazquez reacted by pointing out that "it would be much better for the country to have an internal market of six million inhabitants" because "it would be the engine that would boost the economy, mainly when business falls abroad."

Economy Minister Danilo Astori said that Lacalle "proposes to go back to the past because Uruguay signed international agreements for the exchange of information and the fight against money laundering."

Argentina's President Alberto Fernandez said that "Uruguay had a hard time removing its reputation of being a tax haven that it is not a good idea to fall back on that."

Former Uruguayan President Jose Mujica also criticized Lacalle's ideas by pointing out that he should worry about creating incentives for Uruguayan capitals to return to the country. "We have about \$24 billion scattered throughout the world. Why don't we try to get that money back to the country?" said Jose Pepe Mujica.

Luis Lacalle, who is the leader of the right-wing National Party (PN), won the 2019 Uruguayan

presidential election by 48.71 percent of the votes. His opponent, the Broad Front candidate Daniel Martinez obtained 47.51 percent of the vote. Lacalle will assume the presidency of his country on March 1st.

Edited by Ed Newman

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