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Company formation in Colombia

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Flag



Coat of arms

Common form	SAS (sociedad por acciones simplificada) [1]
Registry	Chamber of Commerce (single business register, RUES) [1]
Minimum capital	None [1]
Directors	1 legal representative [1]
Local director	A legal representative available in Colombia is needed in practice [1]
Corporate tax	35% [2]
VAT / sales tax	19% [2]
Typical timeline	Usually 1–2 weeks [1]
Tax treaties	Domestic rates and treaty list [7]
Currency	Colombian peso (COP)

In short: To set up a company in Colombia, most founders form an SAS, registered with the Chamber of Commerce (single business register, RUES). [1] Minimum capital: none. Corporate tax: 35%. Registration: usually 1–2 weeks (as of November 2026).

Short guide. Tax figures come from PwC Worldwide Tax Summaries (reviewed 21 July 2026); company-law details summarise official guidance and can change. Confirm requirements with the Chamber of Commerce (single business register, RUES) before filing.

Most companies in **Colombia** are formed as an **SAS** and registered with the local **chamber of commerce**. An SAS can have one shareholder and needs no minimum capital; corporate tax is 35%.

Business structures

Most founders in Colombia form an SAS, registered with the Chamber of Commerce (single business register, RUES). [1] Other forms are listed below.

- **SAS** – the usual company form for private businesses

Requirements

Minimum share capital in Colombia (2026): none. Directors required: 1 legal representative. Local resident director: a legal representative available in Colombia is needed in practice. [1]

- A company name that is available, checked with the registry.
- Share capital: none.
- Directors: 1 legal representative.
- Local residency: a legal representative available in Colombia is needed in practice.
- A registered office address in Colombia.
- Articles of association; standard templates are often available.

Registration process

Typical time to register a company in Colombia (2026): usually 1–2 weeks. [1] The usual steps are:

1. Choose the company form and check that the name is available.
2. Prepare and sign the articles of association.

3. File the registration with the Chamber of Commerce (single business register, RUES).
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the National Tax and Customs Directorate (DIAN).

Taxation

The corporate tax rate in Colombia in 2026 is 35%. [2] Standard VAT or sales tax: 19%. [2]

Tax	Rate and notes
Corporate income tax	35%
VAT / indirect tax	19%
Withholding tax on dividends to non-resident companies	20%

Ongoing compliance

Annual compliance in Colombia: Companies file annual financial statements and tax returns with the National Tax and Customs Directorate (DIAN), and keep their details up to date with the Chamber of Commerce. [1]

Double tax treaties

Colombia has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
20%	20%	20%

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for Colombia lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in Colombia?

Typical registration time in Colombia: usually 1–2 weeks (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in Colombia?

Minimum share capital in Colombia: none (as of November 2026).

What is the corporate tax rate in Colombia in 2026?

The corporate tax rate in Colombia in 2026 is 35%. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Colombia?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in Colombia: a legal representative available in Colombia is needed in practice.

What withholding tax applies to dividends paid from Colombia?

Colombia withholds 20% on dividends paid to non-resident companies under domestic law, often reduced by a tax treaty. See the Double tax treaties section.

Official registries and resources

- Chamber of Commerce (single business register, RUES)
- National Tax and Customs Directorate (DIAN)

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country
- Company formation in the United States
- Company formation in Canada
- Company formation in Mexico
- Company formation in Brazil
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Official Chamber of Commerce (single business register, RUES) . Government of Colombia. Accessed November 2026.
2. Official National Tax and Customs Directorate (DIAN) . Government of Colombia. Accessed November 2026.
3. Colombia: Corporate – Taxes on corporate income (reviewed 21 July 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
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