



# EL SALVADOR GUIDE

## LAT-AM ENTERPRISE & BUSINESS MANAGEMENT LLC

### sv EL SALVADOR

Strategic Guide for Relocation and Investment in the Bitcoin Nation  
2025 Edition | Confidential

## INTRODUCTION

Welcome to your strategic guide for relocation and investment in El Salvador—the world’s first Bitcoin nation and one of Central America’s most dynamic economies.

This document has been designed for executives, entrepreneurs, and families evaluating El Salvador as a destination for personal relocation, corporate expansion, or strategic investment. It is not a tourist guide—it is a pragmatic analysis of opportunities, processes, and critical considerations for a successful transition.

### **What You'll Find in This Guide:**

- ✓ Current economic and political context
- ✓ Presidential guarantees against CBDCs and digital identity
- ✓ Legal framework for foreign investors
- ✓ Residency and citizenship options
- ✓ Tax system and Bitcoin advantages
- ✓ Realistic operational costs
- ✓ High-potential investment sectors
- ✓ Infrastructure and quality of life
- ✓ Essential steps for relocation

⚠ Important Disclaimer: This guide provides general information and does not constitute legal, tax, or investment advice. Each situation is unique and requires personalized analysis. For concrete implementation, we recommend specialized consultation tailored to your specific objectives.

## **WHY EL SALVADOR?**

In a global context where many Western jurisdictions are implementing increasingly strict capital controls, aggressive tax regulations, and expanding digital surveillance, El Salvador offers an alternative built on opposing principles:

### ✓ **Financial Freedom:**

Bitcoin as legal tender, with no taxes on cryptocurrency gains

### ✓ **Pro-Business Environment:**

Streamlined procedures and strong government support for foreign investors

✓ **Increasing Stability:** Over 90% reduction in crime over the past 3 years

✓ **Strategic Access:** Gateway to Central and South American markets

✓ **Competitive Costs:** Corporate operations at significantly lower costs than in the U.S. or Europe



## **Presidential Guarantees Against Digital Tyranny**

### **CBDC Status:**

President Bukele's 2025 declaration explicitly rejects the implementation of a Central Bank Digital Currency (CBDC). Bitcoin as legal tender provides a permanent alternative to surveillance-based money. The government is committed to maintaining the dual system of physical USD + Bitcoin. Risk: MINIMAL (presidential guarantee through 2029, with 85%+ popular support).

### **Digital Identity Status:**

NO mandatory digital identity system is planned or implemented. The traditional physical DUI (Documento Único de Identidad) remains the standard. No biometric surveillance infrastructure exists. Government policy explicitly rejects Western-style digital identity systems tied to essential services. Risk: MINIMAL (explicit refusal).

### **Family and Educational Sovereignty:**

Presidential commitment protects the traditional family structure (man + woman), parental authority over children's education, prohibition of gender ideology/LGBT propaganda in schools, and bans mandatory sexual education for young children (ages 6–10).

El Salvador is the ONLY country in the world with an explicit executive guarantee against these control systems.

### **Geopolitical Context:**

President Bukele's 2025 visit to Ecuador: "¡Cuando los pueblos despierten, los imperialistas dejarán de dormir tranquilos!" ("When the people awaken, imperialists will no longer sleep peacefully!")—active anti-globalist positioning, not just rhetoric.

### **Country Profile**

#### **Essential Facts:**

- Population: 6.5 million
- Currency: USD + Bitcoin (dual legal tender since 2021)
- GDP: ~\$33 billion USD
- GDP Growth: 2.5–3.5% annually
- Inflation: 3–4% (2024)
- Official Language: Spanish
- Location: Central America, Pacific Coast

### **ECONOMIC AND POLITICAL CONTEXT**

#### **Dollarized Economy**

El Salvador has used the U.S. dollar as its official currency since 2001, eliminating exchange rate risk and facilitating international transactions. In 2021, it became the first country to adopt Bitcoin as legal tender alongside the USD.

#### **Key Economic Sectors:**

- Services (60% of GDP): Remittances (\$7+ billion annually), tourism, financial services, BPO
- Industry (25% of GDP): Textiles, processed foods, chemicals
- Agriculture (10% of GDP): Specialty coffee, sugar, shrimp, dairy
- Emerging Tech: Fintech, blockchain, software development

#### **Political Leadership**

President Nayib Bukele (re-elected in 2024 with 85%+ of the vote):

- ✓ Security: Anti-gang program—crime reduced by 92% (2019–2024)
- ✓ Modernization: Investments in digital and physical infrastructure
- ✓ Bitcoin Strategy: Bitcoin adoption, construction of Bitcoin City (zero taxes)
- ✓ Pro-Investor: Bureaucratic simplification, foreign capital attraction

⚠ Note for Investors: The government's style is considered “unconventional” by international institutions. Investors should monitor political developments. Contact us for updated geopolitical assessments.

## THE BITCOIN ECOSYSTEM AND TAX REGIME


### Bitcoin as Legal Tender

Since September 2021, Bitcoin has legal tender status:

- ✓ All businesses must accept BTC (with technical exceptions)
- ✓ Prices may be displayed in BTC or USD
- ✓ Taxes can be paid in BTC
- ✓ Bitcoin transactions are exempt from capital gains taxes

💡 Major Tax Advantage: For crypto investors, El Salvador offers a unique benefit—zero taxes on Bitcoin profits. In most jurisdictions, crypto gains are taxed at 15–40%. Here: fully exempt.

### General Tax System

Tax Type	Rate
Personal Income Tax	Progressive 0–30% (over \$60,000/year)
Corporate Profit Tax	30% (with deductions, exemptions)
VAT (IVA)	13%
Dividends	5–25% (depends on structure)
Capital Gains (crypto)	0% 
Inheritance Tax	None

### Fiscal Incentives

- ✓ Free Trade Zones: Full corporate profit tax exemption for exporters
- ✓ Bitcoin City (under development): Zero corporate and income taxes
- ✓ Priority Sectors: Tax reductions for tourism, renewable energy, tech
- ✓ Tax Treaties: Double taxation avoidance with Spain and others

Important: Optimal tax structuring requires professional planning. Consult experts to maximize benefits.

## RESIDENCY AND CITIZENSHIP OPTIONS

### “Golden Visa Bitcoin” Program

#### Requirements:

- Investment: 3 BTC (~\$90,000–120,000 USD)
- Background check (clean record)
- Proof of funds source
- Medical certificate

Processing Time: 30–60 days

Includes: Permanent residency for applicant + family (spouse + children)

Citizenship: Available after 5 years of permanent residency

## Other Options

### 1. Temporary Residency:

- For employees, investors, retirees
- Valid 1–2 years, renewable
- Cost: \$300–600 + legal fees

### 2. Traditional Investment Residency:

- Minimum investment: \$50,000 USD (business OR real estate)
- Creation of 10+ jobs for Salvadoran citizens
- Processing: 3–6 months

### 3. Retiree Residency:

- Minimum monthly pension income: \$1,000
- Age: 40+ (flexible)
- Benefits: Duty-free car import, tax exemptions

## Path to Citizenship

- Period: Minimum 5 years of permanent residency
- Language: Basic Spanish (flexible for major investors)
- Integration: Proof of business activity or social contributions
- Dual Citizenship: Permitted—you retain your original citizenship

⚡ Fast-Track: Investments >\$500,000 or creation of >50 jobs can accelerate the process to 2–3 years.

## OPERATIONAL COSTS AND QUALITY OF LIFE

### Cost of Living

Category	Monthly Cost (USD)
2-bedroom apartment rent (San Salvador, good area)	\$600–1,200
3-bedroom house rent (suburbs)	\$800–1,500
Utilities (electricity, water, internet, gas)	\$100–180
Groceries (family of 4, mid-range)	\$400–700
Transportation (fuel + maintenance)	\$150–250
International private school (per child)	\$400–800
Private health insurance (family)	\$200–400
TOTAL (medium-high comfort)	\$2,000–4,000

Comparison: The same standard costs \$5,000–8,000/month in the U.S./Western Europe. Savings: 50–70%.

## Real Estate — Prices and ROI

### Purchase:

- 2-bedroom apartment (San Salvador): \$80,000–150,000



- 3-bedroom house (suburbs): \$120,000–250,000
- Oceanfront villa (tourist zones): \$200,000–500,000
- Agricultural land (per hectare): \$5,000–25,000

#### Investment ROI:

- Capital appreciation: 5–10%/year (development zones)
- Rental yield: 6–9%/year
- Tourism (Airbnb): 10–15%/year (coastal areas)

**⚠ Due Diligence: Property title verification is essential. Avoid transactions without specialized legal counsel.**

### Infrastructure and Services

Telecommunications: Fiber internet 100–500 Mbps (\$30–60/month), expanding 4G/5G

Healthcare: Modern private hospitals (Hospital de Diagnóstico, Hospital Bloom). Specialist consultation: \$30–60; surgical procedures 50–70% cheaper than U.S.

Education: International schools (American School, Escuela Británica) with IB/American curricula. Prestigious regional universities.

Transport: International airport with direct flights to the U.S., Mexico, and Central America.

## COMPANY FORMATION AND OPERATIONS

### Corporate Structures

#### 1. Sociedad Anónima (S.A.):

- Similar to LLC/Corp
- Minimum 2 shareholders, \$2,000 capital
- Setup cost: \$1,200–2,000
- Timeline: 2–4 weeks

#### 2. S.R.L. (Sociedad de Responsabilidad Limitada):

- For smaller businesses
- Less bureaucracy
- Similar cost

#### 3. Branch Office:

- For international companies
- Maintains parent company's legal personality

### Company Setup — Steps

#### Weeks 1–2:

- Company name verification
- Drafting of bylaws
- Filing with the Commercial Registry

#### Weeks 2–3:

- NIT (Tax ID)

- Registration with Ministry of Finance
- VAT registration

Weeks 3–4:

- Corporate bank account
- Employee registration (ISSS)
- Operational licenses

### Operational Costs

Item	Annual Cost
Accounting & audit	\$2,400–6,000
Legal retainer	\$1,200–3,600
Office (50–100 m <sup>2</sup> )	\$6,000–15,000
Mid-level employee salaries	\$12,000–24,000
Employer social taxes	~10.5% of salary
Utilities, internet, software	\$2,400–4,800

### Banking

Main Banks: Banco Agrícola, Banco Davivienda, BAC Credomatic

Account Timeline: 2–6 weeks (faster with local referral)

Fintech & Crypto: Chivo Wallet (government), multiple Bitcoin wallets accepted.

## HIGH-POTENTIAL INVESTMENT SECTORS

### 1. Technology and Fintech

Opportunities:

- Software development, IT outsourcing (40–60% below U.S. costs)
- Blockchain and Bitcoin applications
- Payment processing, remittance tech (\$7+ billion market)
- E-commerce infrastructure

Advantages: Growing talent pool, government support, zero crypto taxes, U.S. time zone alignment.

### 2. Tourism and Hospitality

Opportunities:

- Eco-tourism, surf tourism (world-class Pacific coast)
- Boutique hotels, vacation rentals
- Adventure tourism (volcanoes, jungle)
- Medical tourism

Market: 2.5+ million tourists annually, 60%+ from the U.S.

### 3. Agriculture and Agribusiness

Opportunities:

- Specialty coffee (high-quality reputation)
- Aquaculture (shrimp, tilapia)—U.S. exports
- Organic farming (U.S./EU demand)
- Food processing for export

Certifications: Organic, fair trade add 20–40% premium.

#### 4. Manufacturing and Export

##### Opportunities:

- Textiles, apparel (CAFTA-DR—U.S. access)
- Electronics assembly
- Medical and pharmaceutical products

Advantage: Free Trade Zones offer zero taxes for exporters.

#### 5. Real Estate Development

##### Opportunities:

- Residential developments (expat community)
- Commercial real estate (office, retail)
- Beachfront properties
- Industrial parks

ROI: 8–15% for well-positioned developments.

### CHALLENGES, RISKS, AND MITIGATION

#### Risks to Evaluate

##### 1. Security:

Situation: 92% crime reduction (2019–2024). Urban and tourist zones are safe.

Considerations: Certain neighborhoods remain problematic. Local consultation is essential.

##### 2. Infrastructure:

Reality: San Salvador is modern. Rural areas are underdeveloped.

Considerations: Roads outside highways can be challenging during rainy season.

##### 3. Bureaucracy and Corruption:

Reality: System is reforming. Corruption is decreasing but still present.

Mitigation: Trusted local lawyers and consultants; formal, documented procedures.

##### 4. Limited Domestic Market:

Reality: 6.5 million population = small internal market.

Strategy: Focus on export or niche markets (expats, tourism, B2B).

##### 5. Potential Political Volatility:

Considerations: Stable but centralized governance. Post-2029 succession risks exist.

Mitigation: Diversify—don't place all assets in one jurisdiction.

#### Risk Management Strategies

- ✓ Geographic diversification (multi-country operations)
- ✓ Offshore + onshore corporate structures
- ✓ Adequate insurance (business, property, health)
- ✓ Exhaustive due diligence
- ✓ Trusted local consultants
- ✓ Contingency plans (exit strategies, backup banking)



### **When El Salvador Is NOT a Fit**

- ✗ Require Western Europe/U.S.-level infrastructure in all aspects
- ✗ Zero tolerance for uncertainty or flexibility
- ✗ Business requires sophisticated financial markets (Singapore, Dubai better suited)
- ✗ Zero tolerance for emerging market political risks

Safer (but more expensive/restrictive) alternatives: Costa Rica, Panama, Uruguay, Portugal.

### **REALISTIC RELOCATION TIMELINE**

#### **Phase 1: Evaluation and Preparation (1–2 months)**

##### **Objectives:**

- Clarify goals (relocation vs. business vs. investment)
- Feasibility study: Is El Salvador a fit?
- Realistic budgeting (12–24 months)
- Exploratory visit (1–2 weeks on the ground)

**Deliverables:** Feasibility report, budget, action list.

#### **Phase 2: Legal and Financial Setup (2–3 months)**

##### **Actions:**

- Residency application (Golden Visa or other route)
- Company formation (if applicable)
- Bank account opening
- Tax consultation, optimal structuring

**Deliverables:** Residency approved (or in process), company registered, active banking.

#### **Phase 3: Physical Settlement (1–2 months)**

##### **Actions:**

- Property purchase/rental
- Physical relocation (moving belongings, family)
- Utility and service setup
- School enrollment for children
- Health insurance

**Deliverables:** Functional home, settled family, active services.

#### **Phase 4: Operations and Optimization (3–6 months)**

##### **Actions:**

- Business launch
- Hiring and employee training
- Networking (chambers, associations, expat groups)
- Process fine-tuning
- KPI evaluation and adjustments

**Deliverables:** Operational business, community integration, established routines.

#### **Total Timeline**

- Simple personal relocation: 3–4 months
- Relocation + business setup: 6–9 months
- Complex investment (real estate dev, manufacturing): 12–18 months

**Buffer:** Add 20–30% for unforeseen delays.

## NEXT STEPS AND HOW WE CAN HELP

### You've Come This Far — What's Next?

You realize that generic information is insufficient—every situation requires personalized analysis, tailored strategy, and flawless execution.

Reality: You can try on your own. You'll save a few thousand in consulting fees. But you'll lose months, make costly mistakes, and miss opportunities only local experts can see.

### Our Full-Service Offerings

#### 1. Strategic Consulting and Feasibility:

- Analysis: Is El Salvador right for you?
- Identification of specific risks
- Tax and corporate structuring options
- ROI estimates, financial scenarios

#### 2. Residency and Immigration Services:

- Bitcoin Golden Visa (end-to-end)
- Alternative residency (investment, retirees)
- Documentation preparation, authority follow-up
- Family support

#### 3. Company Formation and Banking:

- Company setup (S.A., S.R.L., branch)
- Corporate and personal bank account opening
- Tax registrations, licenses
- Offshore + onshore structures

#### 4. Real Estate Advisory:

- Property identification
- Full due diligence (legal, technical, financial)
- Negotiation and closing
- Property management

#### 5. Operations and Post-Relocation Support:

- Local hiring and HR
- Accounting and ongoing compliance
- Networking (business partners, investors, community)
- Operational troubleshooting

### Why LAT-AM EBM?

- ✓ Proven experience: Dozens of families and companies successfully relocated in LatAm
- ✓ Local network: Lawyers, accountants, brokers, officials—relationships built over years
- ✓ End-to-end service: From feasibility to stabilization—we don't leave you halfway
- ✓ Multi-jurisdictional: If El Salvador isn't optimal, we offer solutions in Costa Rica, Panama, Paraguay, Uruguay, Chile

✓ Transparency: Clear fee structure, no hidden costs, constant communication

Are You Ready?

Book a 30-minute strategic consultation, Zoom - WhatsApp. We'll analyze your situation, identify the best path, and provide a concrete action plan.

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## USEFUL RESOURCES AND CONTACTS

### Official Authorities

Immigration: [www.migracion.gob.sv](http://www.migracion.gob.sv)

Business: [www.minec.gob.sv](http://www.minec.gob.sv)

Investments (PROESA): [www.proesa.gob.sv](http://www.proesa.gob.sv)

Commercial Registry: [www.cnr.gob.sv](http://www.cnr.gob.sv)

Tax: [www.mh.gob.sv](http://www.mh.gob.sv)

Bitcoin: [www.chivowallet.com](http://www.chivowallet.com)

### Main Banks

- Banco Agrícola: [www.bancoagricola.com](http://www.bancoagricola.com)
- Banco Davivienda: [www.davivienda.com.sv](http://www.davivienda.com.sv)
- BAC Credomatic: [www.baccredomatic.com](http://www.baccredomatic.com)

### Chambers of Commerce

- AmCham El Salvador: [www.amchamsal.com](http://www.amchamsal.com)
- Cámara de Comercio: [www.camarasal.com](http://www.camarasal.com)

### Relocation Resources

- Expat.com El Salvador Forum
- Facebook Groups: "Expats in El Salvador", "Bitcoin Beach Community"

### Media

- La Prensa Gráfica: [www.laprensagrafica.com](http://www.laprensagrafica.com) (Spanish)
- El Salvador Perspectives: [www.elsalvadorperspectives.com](http://www.elsalvadorperspectives.com) (English)

⚠ **Note: We do not provide specific vendor recommendations in the public version.** Verified contacts (lawyers, accountants, etc.) are provided to clients during consultation, after needs assessment.

## FINAL DISCLAIMER

The information in this guide is accurate as of the publication date (2025) and based on direct experience and official sources. However:

- Laws and regulations change—verify current information
- Each situation is unique—what works for others may not work for you
- This guide does NOT replace professional legal, tax, or investment advice

**Use this document as a starting point for research and due diligence. For concrete decisions, consult qualified experts.**

Ready to Explore Advanced Strategies?

Contact LAT-AM E&BM for a confidential consultation:

 [office@lat-amebm.com](mailto:office@lat-amebm.com) | [office@zamfirgroup.com](mailto:office@zamfirgroup.com)

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 Consultation Hours: Monday–Friday, 9:00 AM–6:00 PM

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Initial Consultation: 30-minute deep-dive into your situation, preliminary structure recommendations, implementation cost estimate.

LAT-AM Enterprise & Business Management LLC

Your Partners in Strategic Relocation & Wealth Preservation

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