



Americas Tax Roundup

6 January 2020

This week's edition contains two weeks' worth of news.

Important announcement: Register to receive Americas Tax Roundup via new EY delivery platform

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We will be sending the AT Roundup via **both** the GTNU and the current email distribution system, but we urge you to register for the GTNU platform as soon as possible ([instructions available here](#)) in order to continue receiving the Roundup.

If you have any questions, issues or comments, please email Global Tax News Update Help at globaltaxnewsupdatehelp@ey.com.

Latest news - Americas

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Tax Insights Magazine

Tax Insights Magazine is a series of publications, produced by EY, that will help you to gain a more thorough understanding of tax issues. It features the insights of high-level executives and professionals, as well as contributions from leading policy-makers and academics.

Argentina enacts tax reform

Argentina has enacted tax reform that modifies several tax provisions, including the corporate income tax, and delays for one year a reduction in the corporate income tax that was scheduled under prior law. The reform also amends the dividend withholding tax, inflation adjustment for income tax, taxation on interest from certain Argentine investments, personal assets tax, etc., effective 1 January 2020. Companies doing business and different stakeholders investing in Argentina should consider the consequences of the changes and evaluate the effect on their current Argentine operations.

Argentina amends 'Tax Consensus' between federal and provincial governments, postponing reductions on certain provincial taxes

The Argentine Senate has approved the agreement reached between the federal government and provincial governments to amend the "Tax Consensus" to postpone reductions on certain provincial taxes. The amendment would suspend until 31 December 2020 the application of the Tax Consensus for certain items agreed to by the provinces.

Argentina: Buenos Aires province and city impose 'turnover tax' withholding on digital services provided by nonresidents

The local tax authorities in the Argentine Province of Buenos Aires and City of Buenos Aires have issued regulations to implement "turnover tax" withholding on payments for digital services provided by nonresidents. The withholding applies to payments made beginning 1 January 2020 in the Province of Buenos Aires and payments made beginning 1 March 2020 in the City of Buenos Aires.

Argentina issues consolidated text of foreign-exchange regulations with clarifications

The Argentine Central Bank has issued a Communique establishing a consolidated text of the foreign-exchange regulations in force and introducing some definitions and clarifications. This latest Communique, issued in December 2019, follows a September 2019 Communique that established various rules for the foreign-exchange regulations.

Ecuador's president vetoes second tax reform bill and proposes amendments

After the Ecuadorian National Assembly recently modified and approved the second tax reform bill proposed by President Moreno, President Moreno vetoed the bill and proposed certain amendments. The National Assembly will have to consider the amendments and may either accept the terms of the veto or reject them.

Canada delays proposed changes to employee stock option rules

Canada's Finance Minister has released an update on the proposed changes to the tax treatment of employee stock options. The proposals, which were scheduled to come into force on 1 January 2020, have been postponed. The wording of the announcement suggests that changes to the stock option rules, while postponed, will be forthcoming.

Curaçao amends profit tax legislation from a worldwide tax system to territorial system

To comply with certain EU requirements, the Curaçao Parliament has passed legislation that changes the profit tax from a worldwide tax system (with exemptions for foreign permanent establishments, sales to foreign buyers, and foreign real estate) to a stricter territorial system where only income from a domestic enterprise is included in the taxable basis. The territorial system will not apply to passive income or any kind of royalty income as defined by the OECD.

This week's tax treaty news in the Americas

- **Argentina and Luxembourg:** Luxembourg ratified tax treaty
- **Chile and United Arab Emirates:** tax treaty signed
- **Peru and Australia:** free trade agreement enters into force 11 February 2020

This week's EY Global Tax Alerts

Global Tax Alerts

- [Report on recent US international tax developments - 3 January 2020 \(3 January 2020\)](#)
- [Argentine Central Bank issues consolidated text of foreign exchange regulations containing some definitions and clarifications \(3 January 2020\)](#)
- [Turkey further extends time period for Asset Peace Incentive provisions \(2 January 2020\)](#)
- [Curaçao amends profit tax legislation from a worldwide tax system to territorial system \(31 December 2019\)](#)
- [Poland publishes decree deferring certain provisions of new withholding tax reform \(31 December 2019\)](#)
- [US Treasury grants another extension of time for reporting signature authority \(FBAR, Form 114\) over certain foreign financial accounts \(24 December 2019\)](#)
- [Ecuador's President vetoes second tax reform bill and proposes amendments \(24 December 2019\)](#)
- [Argentina enacts tax reform \(24 December 2019\)](#)
- [Argentina amends Tax Consensus between the Federal Government and provincial governments, postponing reductions on certain provincial taxes \(24 December 2019\)](#)
- [US IRS issues final Section 871\(m\) regulations on dividend equivalent payments on derivatives referencing US equities, extends transition relief \(23 December 2019\)](#)
- [Canada delays proposed changes to employee stock option rules \(23 December 2019\)](#)

Indirect Alerts

- [EU Advocate General finds that legitimate input VAT must be refunded promptly and unconditionally \(24 December 2019\)](#)
- [Argentine Province of Buenos Aires and City of Buenos Aires impose turnover tax withholding systems on digital services provided by nonresidents \(23 December 2019\)](#)

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Human Capital Alert

- [Recent United Kingdom immigration developments discussed \(20 December 2019\)](#)

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