



Americas Tax Roundup

13 January 2020

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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

OECD and Brazilian Revenue Authority issue joint report on convergence of Brazilian transfer pricing rules with OECD standard

The OECD and the Brazilian Revenue Authority have issued a joint report outlining two potential options for aligning Brazil's transfer pricing rules with the OECD standard. This alignment could result in significant changes for both foreign and Brazilian multinational groups. While no timeline has been set, companies should consider performing initial assessments to identify the risks and opportunities associated with potential changes in the Brazilian transfer pricing system.

Colombia enacts new tax reform law

Colombia has enacted a new tax reform that replaces the 2018 tax reform, which was declared unconstitutional by the Constitutional Court but remained in force until the end of 2019. The new tax reform is generally effective starting 1 January 2020 and retains many of the provisions introduced by the 2018 tax reform. However, the new reform also includes several tax changes to withholding rates, hiring incentives, and VAT rules, among other changes, as well as modifications to procedural rules. Taxpayers should analyze their current operations and determine whether changes should be made to implement these new provisions.

Argentina issues regulations implementing recently enacted tax reform

Argentina has published final regulations implementing the December 2019 tax reform that made sweeping changes to Argentina's tax laws. The tax reform, which is now effective, postpones some corporate tax rate increases and reductions, and it also establishes a new tax on purchases of foreign currency, which would be effective for five years. Companies doing business and different stakeholders investing in Argentina should evaluate the effect of these changes on their current Argentine operations.

Argentine Central Bank extends foreign exchange restrictions

The Central Bank of Argentina has permanently extended the foreign exchange regulations that expired on 31 December 2019. Companies doing business and different stakeholders investing in Argentina should consider the consequences of the changes and evaluate the effect on their current or future Argentine operations.

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- [2019 Worldwide Corporate Tax Guide](#)
- [2018-2019 EY Worldwide Transfer Pricing Reference Guide](#)
- [2019 Worldwide VAT, GST and Sales Tax Guide](#)
- [2019 Indirect Tax – updated worldwide developments map](#)
- [2019 Global Oil and Gas Tax Guide](#)
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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.

Peru amends rules for capital gains tax exemptions

Peru's Minister of Economics has amended the regulations implementing the temporary tax exemption for capital gains derived from transfers of securities carried out through the Lima Stock Exchange. Effective 1 January 2020, the amended regulations change the parameters for determining whether securities meet the "liquidity threshold" and increase the threshold for securities that are not debt securities.

Peru extends tax benefits for agricultural sector

Peru has extended certain tax benefits for the agricultural sector from 31 December 2021 to 31 December 2031. The benefits include a preferential income tax rate of 15%, instead of the general income tax rate of 29.5%. The extension is good news for taxpayers in the agricultural sector, who will continue to benefit from the lower tax rate.

Costa Rica issues guidance on tax obligations for 'inactive companies'

Costa Rica's tax authorities have published a Resolution on the tax obligations of "inactive companies" (i.e., entities that do not carry on a trade or business in Costa Rica). The Resolution requires inactive companies domiciled in Costa Rica to register in the Tax Registry and to submit information annually on their assets, liabilities, and capital on Form D-135.

Panamanian National Assembly approves bill on a beneficial owner register for legal entities

The Panamanian National Assembly has approved a bill that would create a free "Register of Beneficial Owners of Legal Entities" to allow resident agents to file information on the beneficial owner of all legal entities incorporated in Panama for which they are agents. The register is aimed at assisting competent authorities with preventing money laundering, the financing of terrorism, and the proliferation of massive weapons.

US Senate Finance Committee clears USMCA implementing bill

On 7 January, the US Senate Finance Committee cleared the implementing legislation for the US-Mexico-Canada Agreement (USMCA), setting up a vote in the full Senate. The timing of the full Senate vote is unclear.

This week's tax treaty news in the Americas

- **Panama and Israel:** free trade agreement entered into force 1 January 2020

This week's EY Global Tax Alerts

Global Tax Alerts

- [Report on recent US international tax developments - 10 January 2020 \(10 January 2020\)](#)
- [Korea enacts 2020 tax reform bill \(10 January 2020\)](#)
- [Italy approves 2020 Budget Law \(9 January 2020\)](#)
- [Poland requires dematerialization of paper shares in Polish joint stock companies \(9 January 2020\)](#)
- [Peru amends rules for capital gains tax exemptions \(9 January 2020\)](#)
- [Peru extends tax benefits for agricultural sector \(9 January 2020\)](#)
- [Costa Rica's tax authorities issue guidance on the tax obligations for "inactive companies" \(9 January 2020\)](#)
- [US: Source-of-income rules modified by proposed regulations implementing TCJA changes \(9 January 2020\)](#)

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If you have any questions or suggestions about this newsletter, please contact [Amy Gist](#)

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- [Argentina Central Bank extends foreign exchange restrictions \(8 January 2020\)](#)
- [Argentina makes sweeping changes to tax laws, followed by regulations implementing recently enacted tax reform \(8 January 2020\)](#)
- [Belgium publishes legislation on Mandatory Disclosure Rules \(8 January 2020\)](#)
- [Colombia enacts a new tax reform \(7 January 2020\)](#)
- [Netherlands passes Act to implement Mandatory Disclosure Rules \(7 January 2020\)](#)
- [Panamanian National Assembly approves bill on a beneficial owner register for legal entities \(6 January 2020\)](#)
- [Hong Kong clarifies certain issues regarding treaty benefits \(6 January 2020\)](#)

OECD Alert

- [OECD and Brazilian Revenue Authority issue joint report on convergence of Brazilian transfer pricing rules with OECD standard \(8 January 2020\)](#)

Upcoming webcasts

No new webcasts this week.

Recently archived webcasts now available on-demand

No new archived webcasts this week.

EY industry, service and issue publications

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