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Global Tax Alert

News from EY Americas Tax

Uruguayan Tax Authority adjusts certain formalities relating to documentation of activities of taxpayers who are totally or partially exempt from taxes

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On 17 July 2020, Uruguay's Tax Authority issued Resolution No. 1252/020, making certain adjustments to the formalities relating to the documentation of activities of taxpayers who are totally or partially exempt from taxes administered by the DGI (tax authority). The provisions of the resolution apply from 1 September 2020.

The following adjustments were made:

1. Taxpayers exempt from tax for all their activities shall request a certificate from the DGI in order to print their documentation, which shall include the words: "Exempt Taxpayer."

Taxpayers who carry out more than one activity shall also request the certificate to document the operations relating to those activities that were exempt. Prior to making the request, the taxpayer must submit an affidavit describing the activities that are subject to the exemption.

The Free Zone direct or indirect users are not included in this provision.

2. For taxpayers who are totally or partially exempt from taxes, some documentation formalities required for the general regime are eliminated, such as the location and size of pre-printed or computer-printed data, among others.

3. When printing the he exempt taxpayer certificate referred to in paragraph 1, the document must contain, in a box not less than 4 cm long by 1 cm, the words "Exempt Taxpayer" and a reference to the regulation that grants the exoneration.
4. Some characteristics of the "printed representation" are modified as follows:
 - Electronic issuers exempt from taxes for all their activities, and those that carry out more than one activity, must include the words "Exempt Taxpayer" and a reference to the rule that grants the exemption when documenting operations that are linked to an exempted activity.
 - Electronic issuers covered by Article 52(E) of Title 4 of the 1996 Ordinance must include the words: "Minimum VAT Taxpayer."

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