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5 October 2020

Americas Tax Roundup

Latest news – Americas

[COVID-19 relief measures continue throughout Americas](#)

Jurisdictions throughout the region continue to announce new and expanded measures to respond to the COVID-19 pandemic.

US Treasury issues regulations on [foreign tax credit](#), [foreign persons' gain or loss from sale or exchange of interests in certain partnerships](#), and [sourcing of sales of personal property \(including inventory\)](#)

The US Treasury has issued several significant regulation packages in recent days, including:

- Final regulations and new proposed regulations on determining the foreign tax credit, and allocating and apportioning deductions, under the Internal Revenue Code
- Final regulations that provide guidance for determining the treatment of gain or loss recognized by a foreign person on the sale of an interest in a partnership that is engaged in the conduct of a trade or business within the US
- Final regulations with rules for determining the source of income from sales of inventory produced within the US and sold outside the US or vice versa

Tax information at your fingertips

[Global Tax Guides app](#)

Access tax technical data on 150+ jurisdictions from your iPad® anywhere in the world. [Download the guides here.](#)

[New EY website on upcoming US election offers insights on potential tax and policy ramifications](#)

The upcoming US federal elections could potentially bring significant changes to the US federal tax laws, particularly if the Administration changes hands and the Senate flips Democratic. To help taxpayers prepare amid the uncertainty, our newly launched ey.com election site (www.ey.com/election2020) collects our latest thinking on the election's implications for US tax and economic policy in the coming year.

[Peruvian tax authorities announce new collaborative compliance plan](#)

The Peruvian tax authorities have announced a new project for the collection of tax debts, called the "Collaborative Compliance Plan." The plan would consist of new measures to facilitate compliance with the tax filing requirements and payments of tax liabilities, and it would include a mutual agreement procedure and measures that would allow more taxpayers to apply for private rulings. The tax authorities indicated that they expect to adopt the new plan in the near future.

[Peru extends deadline for applying for new deferral and installment payment regime for tax debts](#)

Peru's Executive Power has extended from 30 September 2020 to 31 December 2020 the deadline for taxpayers to apply for the new deferral and installment payment regime for tax debts. Taxpayers should review the new regime to determine whether they might benefit from it.



[Puerto Rico's Treasury Department issues guidance on requesting economic assistance under local Payroll Protection Program](#)

The Puerto Rico Treasury Department (PRTD) has issued guidance on requesting economic assistance through a local Payroll Protection Program that is part of the Strategic Plan ordered by the Governor of Puerto Rico. Employers should evaluate the provisions and requirements under this program in the context of their operations in Puerto Rico to determine how the program might alleviate the economic hardship induced by the current emergency.

[Canada's Distributed Investment Plans \(DIPs\) are required to request certain investor information by 15 October](#)

A DIP that is a selected listed financial institution is required to make a written request to obtain certain information from its investors by 15 October. If a DIP does not request this information by 15 October, certain investors may be deemed to be residents of the highest rate province (i.e., 15%) and, as a result, the DIP may have higher tax liabilities or lower refunds.

[Canada: Newfoundland and Labrador budget 2020-21 tabled](#)

The finance minister of the Canadian province of Newfoundland and Labrador has tabled the province's fiscal 2020-21 budget. The budget contains no new income taxes and no income tax increases.

[OECD releases outcomes of third phase of peer reviews on BEPS Action 13](#)

The OECD has released the compilation of the outcomes of the third phase of peer reviews of the minimum standard on BEPS Action 13 (*Transfer Pricing Documentation and Country-by-Country Reporting*). The compilation highlights the significant progress made with respect to implementation of country-by-country reporting requirements around the world and the increased sharing of tax and financial data among tax authorities as a result.

[EY's Washington Dispatch September 2020 newsletter now available](#)

The September 2020 edition of Ernst & Young LLP's *Washington Dispatch* is now available and summarizes the month's developments in US international taxation.

This week's tax treaty news in the Americas

- ▶ [US and Croatia: Croatian government authorized tax treaty negotiations](#)

Upcoming webcasts

[Post 2020 US election – tax and infrastructure policy implications \(6 October\)](#)

With the US presidential election only a month away, understanding the current and proposed tax policies and associated infrastructure program priorities of both the Trump Administration and the Biden-Harris campaign is essential. In this webcast, our panel will help you prepare by examining the implications for tax and infrastructure-related projects.

[Latin America 'nearshoring' webcast series: Panama session \(21 October\)](#)

To provide information and help answer questions about nearshoring (i.e., transferring of a business operation to a nearby country from a more distant one) in Latin America, EY is sponsoring a series of webcasts featuring our local country professionals. The series will kick off with a session on Panama.



Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 2 October 2020](#)

EY's weekly US Cross-border Taxation podcast reviews the week's US international tax-related developments. Highlights this week include: US Treasury releases final and newly proposed foreign tax credit regulations; US Treasury issues final sourcing regulations on sales of personal property (including inventory); OECD releases outcomes of third phase of peer reviews on BEPS Action 13.

This week's EY Global Tax Alerts

COVID-19 | Key Alerts and other resources from EY's Global Tax

Global Tax Alerts were issued this week with updated COVID-19 news, covering the following jurisdictions: Puerto Rico. Access the Alerts and other COVID-19 related materials [here](#).

Additional Global Tax Alerts

- ▶ [Report on recent US international tax developments - 2 October 2020](#)
- ▶ [US: Final regulations largely adopt proposed characterization of foreign persons' gain or loss from sale or exchange of interests in certain partnerships, with some welcome changes](#)
- ▶ [US: Final and proposed regulations limit impact of repeal of Section 958\(b\)\(4\)](#)
- ▶ [Chile's tax authorities amend reporting obligations for indirect transfers](#)
- ▶ [Peru extends deadline for applying for new deferral and installment payment regime for tax debts](#)
- ▶ [Peru's Tax Authority postpones filing of CbC report for 2019 tax year](#)
- ▶ [Peruvian tax authorities announce new collaborative compliance plan](#)
- ▶ [Peru-Japan double tax treaty is sent to Peruvian Congress for approval](#)
- ▶ [Canada: Newfoundland and Labrador issues budget 2020-21](#)
- ▶ [Puerto Rico's Treasury Department issues guidance on requesting economic assistance under a local Payroll Protection Program](#)
- ▶ [Danish Tax Board rules Danish data center does not create a permanent establishment for nonresident company](#)
- ▶ [French Government releases draft Finance Bill for 2021](#)
- ▶ [Myanmar enacts Union Taxation Law 2020](#)
- ▶ [Swedish Ministry of Finance publishes memorandum regarding new "risk tax" aimed at large banks and financial institutions](#)
- ▶ [Oman introduces Country-by-Country Reporting requirements](#)



Indirect Alerts

- ▶ [Canada: Distributed Investment Plans required to request certain investor information by 15 October 2020](#)
- ▶ [European Commission publishes Explanatory Notes on new VAT e-commerce rules](#)
- ▶ [Norwegian Tax Authority focuses on modernizing VAT system](#)
- ▶ [Council of the European Union publishes Draft Directive on identification of taxable persons in Northern Ireland](#)
- ▶ [Saudi Arabia launches consultation on e-invoicing](#)
- ▶ [European Commission publishes new Guidance on Customs Valuation](#)

OECD Alerts

- ▶ [OECD releases outcomes of third phase of peer reviews on BEPS Action 13](#)

EY Industry and Tax Services publications

Industries

Banking & Capital Markets

- ▶ [Three ways COVID-19 is changing the payments industry](#)

Energy & Resources

- ▶ [Why contactless field service presents an opportunity beyond COVID-19](#)
- ▶ [How to future-proof the oilfield services workforce](#)
- ▶ [How do you reshape when today's future may not be tomorrow's reality?](#)

Mining & Metals

- ▶ [Top 10 business risks and opportunities for mining and metals in 2021](#)

Health and Life Sciences

- ▶ [How COVID-19 has triggered a sprint toward smarter health care](#)
- ▶ [How US tax reform is testing the life sciences sector](#)

Power & Utilities

- ▶ [Why contactless field service presents an opportunity beyond COVID-19](#)

Private equity

- ▶ [How private equity can define a business strategy for a digital world](#)



Services

Consulting

- ▶ [How preventive maintenance can backfire and harm your assets](#)

Assurance

- ▶ [If corruption never stops, how can public trust be gained?](#)

People and workforce

- ▶ [Will HR transformation be the thread that ties your organization together?](#)
- ▶ [How working 'anytime, anywhere' complicates payroll and tax issues](#)
- ▶ [If transformation is a journey, how can your board ensure everyone's with you?](#)

Tax

- ▶ [What multiple waves of disruption mean for tax and trade in Europe](#)

Issues

Risk

- ▶ [How does a return to work challenge societal behaviors?](#)

Comments

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