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4 January 2021

# Americas Tax Roundup

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## 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.*

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### [US President signs COVID and omnibus legislation](#)

On 27 December 2020, US President Trump signed the *Consolidated Appropriations Act, 2021*, which the House and Senate passed on 21 December. The Act includes roughly \$900 billion in coronavirus relief, including many tax and health components, as well as a \$1.4 trillion omnibus appropriations package to fund the government through September 2021 that also extends expiring tax provisions and health extenders.

### [Argentina imposes one-time extraordinary emergency contribution on individuals' personal assets](#)

Argentina has implemented a one-time extraordinary emergency contribution on personal assets held by individuals as of 18 December 2020, when the value of those assets calculated under the personal asset tax rules exceeds ARS 200 million (approx. USD 2.4M). Argentine resident individuals with worldwide assets exceeding this threshold and nonresident individuals with assets in Argentina exceeding this amount will have to pay a one-time extraordinary emergency contribution ranging from 2% to 5.25% of their taxable assets.

### [EY publication highlights 2020 Q4 tax policy developments across the Americas](#)

The fourth quarter of 2020 ushered in several significant tax policy developments across the Americas. EY's *Americas Tax Policy Update* highlights the top tax policy developments from October through December 2020, including:

- ▶ Argentina's mandatory reporting regime for domestic and international arrangements
- ▶ Mexico's mandatory disclosure regime
- ▶ A Brazilian Supreme Court decision on the value-added tax
- ▶ Canada's 2020 Fall Economic Statement
- ▶ US guidance on provisions of the *Tax Cuts and Jobs Act*



### [Canada's Department of Finance releases legislative proposals regarding time extension to incur flow-through qualifying expenditures](#)

Canada's Department of Finance has released draft legislative proposals to implement measures aimed at extending by 12 months the timelines for resource corporations to incur eligible expenses. The proposals follow an earlier announcement concerning the flow-through share rules to alleviate the challenges faced by exploration companies in the mining industry amid the COVID-19 pandemic. The proposals mean that resource companies that have issued flow-through shares would be allowed additional time to incur eligible expenses.

### [Canada Revenue Agency issues guidance on employee home office expenses and Form T2200](#)

The Canada Revenue Agency has released guidance regarding the home office expense deduction that employees can claim on their 2020 personal income tax return. For 2020, there will be two alternate methods by which employees may claim home office expenses.

### [OECD releases guidance on transfer pricing implications of COVID-19 pandemic](#)

The OECD has released a [report](#) containing guidance on the transfer pricing implications of the COVID-19 pandemic. The report notes that the unique economic conditions arising from COVID-19 and government responses to the pandemic have led to practical challenges for the application of the arm's-length principle. Accordingly, the report focuses on how the arm's-length principle and the OECD Transfer Pricing Guidelines apply to issues that may arise or be exacerbated in the context of the COVID-19 pandemic.

### [OECD releases fourth peer review report on BEPS Action 5 on the Exchange of Information of Tax Rulings](#)

The OECD has released the fourth annual peer review report relating to compliance by members of the Inclusive Framework on BEPS with the minimum standard on BEPS Action 5 for the compulsory spontaneous exchange of certain tax rulings (the transparency framework). The report covers 124 of the 137 current Inclusive Framework jurisdictions and marks a significant step in the OECD's efforts for more transparency and information exchange in the area of tax.

### [OECD's FTA hosts virtual meeting of tax administration leaders](#)

The OECD Forum on Tax Administration (FTA) held its annual plenary meeting in December, bringing together (virtually) more than 300 delegates from 53 jurisdictions. The discussions focused on a variety of tax administration issues including responses to the global pandemic, emerging risks, digital transformation, and tax certainty; a communique and four reports were released at the end of the meeting. The FTA's discussions and associated publications often foreshadow future tax authority activities at the country level.

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## This week's tax treaty news in the Americas

- ▶ Argentina and Qatar: Argentine Chamber of Deputies approved tax treaty
- ▶ Peru and Japan: Peruvian Congress approved tax treaty
- ▶ Uruguay and Brazil: Uruguayan Senate approved tax treaty
- ▶ Uruguay and Japan: Uruguayan Senate approved tax treaty



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## Upcoming webcasts

### [Tax in a time of global disruption: the future accelerated & transformed \(12 January\)](#)

The world changed in 2020 with the COVID-19 pandemic circling the globe, and disruptions to the tax function have been numerous. This webcast, which serves as an introduction to the upcoming Tax Council Policy Institute's February symposium, will examine some of the challenges and opportunities that are ahead as we navigate tax in 2021 and beyond.

### [Latin America 'nearshoring' webcast series: Mexico session \(13 January\)](#)

Recent disruptions to global supply chains have heightened interest in the concept of "nearshoring," and multinational entities are considering potential locations in Latin America for a range of corporate functions. This latest installment in a series of EY webcasts providing information on nearshoring in Latin America will focus on Mexico.

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## 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: Argentina, Canada, Luxembourg, the OECD and the US. Access the Alerts and other COVID-19 related materials [here](#).

### Additional Global Tax Alerts

- ▶ [Report on recent US international tax developments - 23 December 2020](#)
- ▶ [Argentina imposes one-time extraordinary emergency contribution on individual's personal assets](#)
- ▶ [Canada Finance releases legislative proposals on time extension to incur flow-through qualifying expenditures](#)
- ▶ [Canada Revenue Agency issues guidance on employee home office expenses and Form T2200](#)
- ▶ [Egypt amends Unified Tax Procedures Law](#)
- ▶ [Luxembourg extends filing deadlines for tax returns](#)
- ▶ [UAE amends Federal Companies Law](#)
- ▶ [Czech Tax Authority issues guidance on selected DAC6 questions](#)
- ▶ [Nigerian Government inaugurates task force on business permit and expatriate quota violations](#)
- ▶ [Italian Tax Authorities issue draft guidelines on Digital Services Tax for public consultation](#)
- ▶ [European Commission adopts new regulation regarding stricter Authorized Economic Operator compliance record criterion](#)

### OECD / Transfer Pricing Alerts

- ▶ [OECD releases guidance on transfer pricing implications of COVID-19 pandemic](#)

### Indirect Alerts

- ▶ [UK and EU reach trade agreement](#)
- ▶ [Italian Tax Authorities issue draft guidelines on Digital Services Tax for public consultation](#)



## EY Industry and Tax Services publications

### Industries

#### Automotive

- ▶ [Podcast: How the mobility sector is re-emerging in a post-COVID-19 world](#)

#### Oil & Gas

- ▶ [Six electric vehicle opportunities for oil and gas players](#)

### Services

#### People and workforce

- ▶ [COVID-19: What employers need to do and how governments are helping](#)

### Issues

#### Growth

- ▶ [21 ways to build a better working world in 2021](#)

### Comments

If you have any questions or suggestions about this newsletter, please email Global Tax News Update Help at: [globaltaxnewsupdatehelp@ey.com](mailto:globaltaxnewsupdatehelp@ey.com).

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