



**Building a better
working world**

21 June 2021

Americas Tax Roundup

Latest news – Americas

[Argentina enacts law raising corporate income tax rates](#)

On 16 June 2021, Argentina enacted Law 27,630, which increases the corporate income tax rate from a 25% flat rate to a progressive system in which the top marginal rate is 35% for tax years beginning 1 January 2021 and onwards. It also extends the 7% withholding tax rate currently in force to dividends from profits accrued in tax years beginning 1 January 2021 and thereafter.

[Argentine Central Bank issues new guidance for certain entities to access the official foreign exchange market](#)

The Argentine Central Bank (BCRA) issued Communique A 7,301, which exempts entities with a "Certification of increase in exports of goods in the year 2021" (Certificate) from requesting the BCRA's approval to access the official foreign exchange market. To obtain a Certificate, entities must meet certain requirements as set out in the communique. Additionally, the Certificate will be granted for a maximum amount, which is the cap at which the exporter will no longer be able to access the foreign exchange market without the BCRA's approval.

[Brazil and Switzerland: The treaty for the avoidance of double taxation between the countries has been ratified by the Brazilian President's sanction](#)

The treaty for the avoidance of double taxation between Brazil and Switzerland has been ratified and promulgated. The treaty will be effective 1 January 2022.

[Chilean tax authorities are evaluating foreign service providers' compliance with recently enacted VAT on digital services](#)

The Chilean tax authorities have recently emailed foreign service providers that may be providing digital services to Chilean users and are not in compliance with current legislation. Foreign service providers that provide digital services to individuals in Chile must register for the simplified value-added tax (VAT) regime and withhold a 19% VAT on the payment for digital services. Failing to register and withhold the VAT could trigger audits from the tax authority or withholding through credit card issuers.

[Chilean tax authorities issue resolution amending regulations for claiming reduced withholding rates](#)

The Chilean tax authorities issued Resolution Ex. No. 58 of 2021, amending the regulations for complying with the local tax requirements to claim reduced withholding tax rates on cross-border payments when a double tax treaty (DTT) applies. Specifically, the resolution modified the sworn statement a foreign beneficiary of the cross-border payment must deliver to a local taxpayer to claim DTT benefits, including when the foreign beneficiary must deliver the statement to the local taxpayer.

[Ecuador's President announces foreign trade and investment policy measures](#)

The President of Ecuador announced measures that facilitate trade and production, simplify trade and investment procedures, and make competitiveness a priority. The measures reduce tariffs and unify the Ecuadorian legislation and foreign trade standards established through international treaties.



[US-EU announce Joint Cooperative Framework for Large Civil Aircraft; Suspend punitive tariffs on wide range of products for five-year period](#)

On 15 June 2021, the United States Trade Representative and European Union, in a joint statement, announced a cooperative framework to address the 17-year large civil aircraft dispute. The statement pronounced that both sides would suspend all existing punitive tariffs imposed in relation to the large civil aircraft subsidies for a period of five years.

[EY's 'Latest on BEPS and Beyond' for June 2021](#)

EY's Latest on BEPS and Beyond monthly newsletter reviews global and regional BEPS-related policy trends, as well as recent BEPS-driven developments in individual countries. The June 2021 edition highlights (1) Bolivia's proposed value-added tax on digital services, and (2) the international tax rules proposed by the Biden Administration and discussed in the US Treasury's FY 2022 explanation (the Green Book).

This week's tax treaty news in the Americas

- ▶ Colombia and Spain: signing of a new agreement for the promotion and reciprocal protection of investments authorized by Spain
- ▶ Mexico and Uruguay: amending protocol to free trade agreement ratified by Mexico
- ▶ United States and European Union: cooperative framework for large civil aircraft agreed to

Upcoming webcasts

[What's new: Updates on the IFRS Better Communication Project \(22 June\)](#)

This webcast, hosted by EY Global IFRS, will provide participants with an update on the IASB's Better Communication in Financial Reporting project, including the current status of the project and next stages. This will be followed by a look at how climate-related matters may impact the reporting in financial statements.

[The indirect tax technology journey. Now. Next. Beyond. \(23 June\)](#)

Join our EY team of tax technology professionals for the first in a series of six webcasts focused on the evolving technology landscape. During these 60-minute webcasts, we will share our insights into how market-leading organizations are using technology to adapt to new legislation and market trends, and to effectively transform tax operations.

Recently archived webcasts

[Tax in a dynamic global sustainability landscape: The challenges around the 'E' in ESG](#)

On this webcast, panelists focused on tax considerations and opportunities in the global effort to make the environment a top policy priority. The tax department is a critical voice in the environmental, social, governance (ESG) conversation and should work hand-in-hand with sustainability, operations and the C-suite as businesses both proactively develop strategies to align with the "E" in the ESG framework and respond to legislative and policy developments across the globe.

[What you need to know for Q2 2021 financial reporting](#)

Are you up-to-date with current accounting and regulatory developments? Can you identify the implications for your company's financial accounting and reporting? During this webcast, panelists discussed current financial reporting matters and standard-setting activities.



Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 18 June 2021](#)

EY's weekly US Cross-border Taxation podcast reviews the week's US international tax-related developments. Highlights this week include:

- ▶ More US Senators publicly support \$1.2 trillion bipartisan infrastructure compromise
- ▶ House passes corporate disclosure package requiring country-by-country tax reporting for multinationals

You can register for this weekly podcast on iTunes [here](#).

This week's EY Global Tax Alerts

Americas Tax Alerts

- ▶ [Report on recent US international tax developments – 18 June 2021](#)
- ▶ [Mexico's Tax Authorities publish list of expected effective income tax rates for large taxpayers](#)
- ▶ [Brazil and Switzerland: The treaty for the avoidance of double taxation between the countries has been ratified by the Brazilian President's sanction](#)
- ▶ [Chilean tax authorities issue resolution amending regulations for claiming reduced withholding rates](#)
- ▶ [Argentina enacts law raising corporate income tax rates](#)
- ▶ [Argentine Central Bank issues new guidance for certain entities to access to the official foreign exchange market](#)
- ▶ [El Salvador approves bitcoin as legal tender](#)
- ▶ [US taxpayers should be mindful of certain tax provisions that may need to be considered with respect to bitcoin following approval of recent legislation in El Salvador](#)
- ▶ [Overview of Senate Competition Bill & White House Supply Chain Report](#)
- ▶ [Chilean tax authorities are evaluating foreign service providers' compliance with recently enacted VAT on digital services](#)
- ▶ [US-EU announce Joint Cooperative Framework for Large Civil Aircraft; Suspend punitive tariffs on wide range of products for five-year period](#)
- ▶ [Ecuador's President announces foreign trade and investment policy measures](#)

Other Global Tax Alerts

- ▶ [Luxembourg Tax Authorities issue guidance on the "equity escape clause" under interest limitation rules](#)
- ▶ [Turkey sets effective date for Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information](#)
- ▶ [Kenya proposes changes to Tax Appeals Tribunal Act, 2013](#)
- ▶ [Poland announces plans to propose broad incentives for investors](#)
- ▶ [Overview of Senate Competition Bill & White House Supply Chain Report](#)
- ▶ [Turkey approves Tax Amnesty Law](#)



OECD Alerts

- ▶ G7 leaders affirm commitment to global tax changes under BEPS 2.0
- ▶ OECD releases Greece Stage 2 peer review report on implementation of Action 14 minimum standard

Transfer Pricing Alerts

- ▶ Armenian tax authorities begin transfer pricing audits

Human Capital Alerts

- ▶ New trade agreement between UK and Australia includes multiple immigration provisions

Indirect Tax Alerts

- ▶ UK and Australia agree on trade deal
- ▶ Turkey's new law on restructuring certain receivables includes customs receivables

EY Industry and Tax Services publications

Industries

Automotive

- ▶ How uneven recovery reflects uncertain prospects for mobility growth

Consumer Products & Retail

- ▶ Fashioning a sustainable future for an online clothing retailer

Financial Services

- ▶ How can compliance make a bolder commitment to sustainable finance?

Health & Life Sciences

- ▶ How can an intelligent health ecosystem create a smarter health experience?

Technology

- ▶ Does a fast connection matter if you can't rely on the network?

Services

People & Workforce

- ▶ Is the employee experience you're delivering the one your people want?
- ▶ Updated Tracker: How COVID-19 is disrupting immigration policies and worker mobility: a tracker

Tax

- ▶ How businesses can best navigate the global carbon tax maze
- ▶ The General Counsel Imperative: How can you evolve entity management into effective governance?

Comments

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



EY | Building a better working world

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