

# Americas Tax Roundup

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## Latest news – Americas

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[US House passes Senate's bipartisan infrastructure bill; House Democratic agreement calls for vote on Build Back Better Act reconciliation bill by week of 15 November](#)

The US House of Representatives on 5 November approved the Infrastructure Investment and Jobs Act ([HR 3684](#)), sending the bill to President Biden for his signature and clearing the way for about US\$550 billion in new spending on highway and other projects. A last-minute agreement among progressive and moderate Democrats cleared the path for passage of the infrastructure bill and set the stage for what congressional Democratic leaders hope will be passage of the

Build Back Better Act reconciliation bill. The Democrats' agreement calls for the House to vote on the budget reconciliation bill no later than the week of 15 November.

[US: Latest Build Back Better proposal includes 15% corporate minimum tax on book income](#)

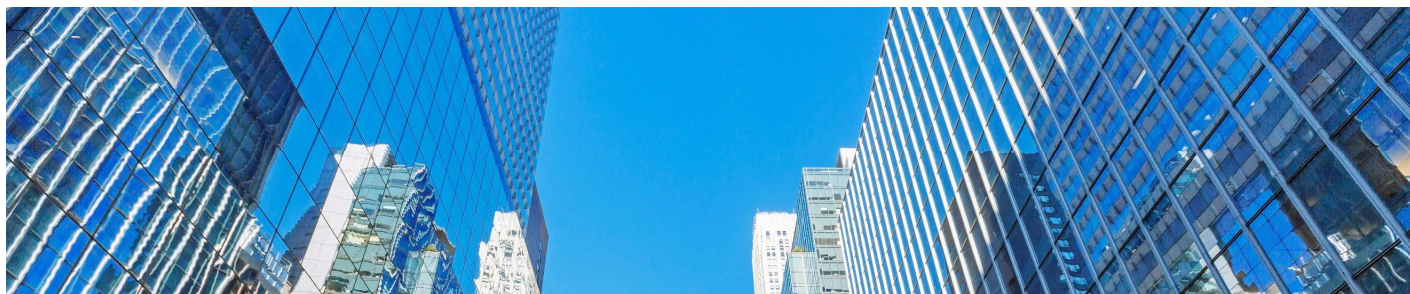
As part of the budget reconciliation negotiations, US Senate Finance Committee Chairman Ron Wyden and Senators Elizabeth Warren and Angus King proposed a 15% corporate alternative minimum tax (CAMT) based on book income for companies that report over US\$1 billion in profits to shareholders. The CAMT is included as a primary revenue raiser in the latest version of the Build Back Better proposal, which was released 28 October 2021. The proposal would apply to tax years beginning after 31 December 2022.

[Colombia issues regulations to identify preferential tax regimes](#)

The Colombian Government issued a decree regulating the criteria established by Article 260-7 of the Colombian Tax Code for identifying preferential tax regimes (PTR). If it is determined that a person, company or entity is resident, located or carrying out activities in a PTR, payments made to the PTR, which are deemed as Colombian-source income, will be subject to withholding tax at the same rate as the corporate income tax rate (31% for 2021 and 35% for 2022). The rate may be reduced if a tax treaty applies. Additionally, transactions with persons, companies, entities or residents located or carrying out activities in a PTR will be subject to the transfer pricing regime, including filing obligations, even if the person located in the PTR is not a related party.

[Mexico and Germany sign new protocol to tax treaty](#)

Mexico and Germany signed an amending protocol to the existing tax treaty that establishes a holding period for dividends, limitations of benefits provisions for payments to permanent establishments (PEs) and a new requirement for activities that are not deemed to create a PE. The Contracting States still have to ratify the protocol.



#### [Peru's President asks Congress for power to enact different tax measures](#)

Peru's President asked Congress for the power to enact different tax measures. If Congress approves the request, the President would be able to enact provisions that would modify the income tax law, the value-added tax measures, and the Tax Code, among other things.

#### [Puerto Rico's Treasury Department announces new monthly return for consolidated sales and use tax and tax on imports effective for the month of October and subsequent periods](#)

The Puerto Rico Treasury Department announced the release of new Form AS 2915.1, "Sales and Use Tax and Tax on Imports Monthly Return" (New SUT Monthly Return), which replaces both Form AS 2915.1D, "Tax on Imports on Monthly Return," and Form AS 2915.1, "Sales and Use Tax Monthly Return." Therefore, for the return corresponding to October 2021, merchants must file the New SUT Monthly Return on or before 22 November 2021.

#### [US and EU agree to end steel and aluminum tariffs and cooperate to address carbon intensity](#)

US President Joe Biden and European Commission President Ursula von der Leyen announced that the US and the European Union (EU) have reached an interim arrangement regarding a dispute over imports of EU-origin steel and aluminum into the US. The arrangement will eliminate US punitive duties imposed on EU-origin steel and aluminum and instead, implement a tariff rate quota, set to be effective on 1 January 2022.

#### [Canada announces targeted COVID-19 support measures](#)

In place of the Canada Emergency Wage Subsidy (CEWS) and the Canada Emergency Rent Subsidy (CERS) (including the lockdown support), which expired on 23 October 2021, Canada's Government announced new targeted COVID-19 support measures in addition to an extension of the Canada Recovery Hiring Program (CRHP). The new measures focus primarily on eligible entities that have been deeply affected since the outset of the pandemic and are continuing to face significant challenges.

#### [Argentina announces new policies for inbound travelers](#)

The Argentine Government recently announced that fully vaccinated travelers may now enter Argentina, irrespective of their nationality. The Government also implemented new entry rules for unvaccinated and partially vaccinated travelers, as well as travelers under the age of 18.

#### [Uruguay implements new policies for inbound travelers](#)

Fully vaccinated travelers, travelers who recovered from COVID-19, and those under the age of 18 may now enter Uruguay and are not required to quarantine on arrival.

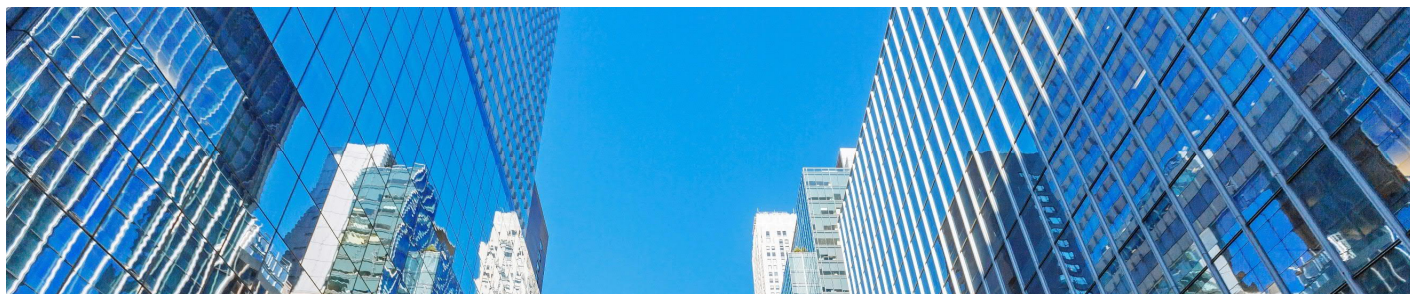
#### [EY Canada issues latest edition of TaxMatters@EY](#)

TaxMatters@EY, a monthly bulletin prepared by EY Canada, provides a summary of recent Canadian tax news, publications, and resources. Highlights of the November 2021 issue include: (i) an article on asking better year-end tax planning questions, and (ii) a recent Tax Court of Canada decision dismissing a donations tax credit claim for shares gifted in exchange for a promissory note.

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

- ▶ United States and Finland: competent authority agreement under income and capital tax treaty signed



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## Upcoming webcasts

### [International tax talk quarterly series with the EY Global Tax Desk Network \(9 November\)](#)

This webcast features panelists from Europe, Latin America and the Asia-Pacific region, who will discuss the following: (i) recent EU tax legislative changes affecting intragroup transactions and holding, financing and intellectual property arrangements; (ii) key changes under the proposed Latin-America tax reform in Brazil and Mexico; (iii) trends, developments and the potential impact of global tax reform in the Asia-Pacific region; and (iv) foreign tax considerations in preparing for proposed US legislative changes, with a focus on developments that may require action by 31 December 2021.

### [M&A environment and emerging tax trends \(30 November\)](#)

Join EY panelists as they discuss (1) the global macroeconomic and deal environment, and key future trends, (2) tax reform and policy agenda around substance, transparency and sustainability, (3) key M&A tax trends such as increased diligence scope, tax risk around supply chain arrangements and diligence around sustainable operating models, and (4) other M&A tax trends such as special purpose acquisition vehicles (SPACs), deal challenges in Europe / APAC and debt restructuring considerations.

For a full list of upcoming webcasts, please access EY's webcast page on ey.com [here](#).

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## Recently archived webcasts

### [BEPS 2.0: Beyond 2021](#)

In this webcast, panelists discussed BEPS 2.0 and taxation of the digitalized economy updates after the October OECD/G20 Inclusive Framework and the G20 Finance Ministers and Central Bank Governors meetings.

### [BorderCrossings: Valuing customer-related data in a digital economy from a transfer pricing framework](#)

In this webcast, panelists discussed frameworks for assessing and inventorying customer-related data and valuing them across a spectrum of business models (i.e., data-enabled and data-enhanced models), and also examined fair market valuations of data and cybersecurity from a transfer pricing perspective.

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## Recently issued EY podcasts

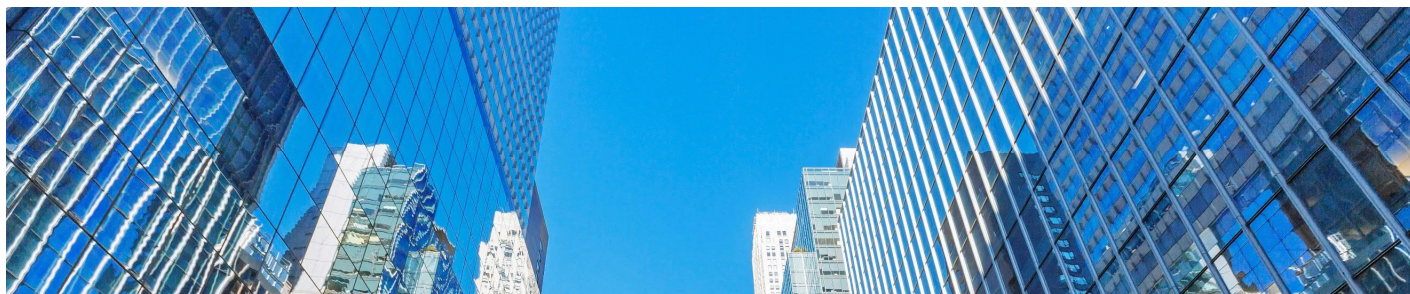
### [US Cross-Border Taxation weekly podcast, 5 November 2021](#)

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

- ▶ US House poised to pass Build Back Better Act budget reconciliation bill, infrastructure legislation
- ▶ IRS ILM concludes extended six-year assessment period under Section 6501(e)(1)(c) applies to entire tax liability, not just omitted subpart F and/or GILTI items

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





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## This week's EY Global Tax Alerts

### Americas Global Tax Alerts

- ▶ [Report on recent US international tax developments – 5 November 2021](#)
- ▶ [Mexico and Germany sign new protocol to tax treaty](#)
- ▶ [Colombia issues regulations to identify preferential tax regimes](#)
- ▶ [Peru's President asks Congress for power to enact different tax measures](#)
- ▶ [Canada announces targeted COVID-19 support measures](#)
- ▶ [FIRST IMPRESSIONS | Rules Committee releases modified "Build Back Better Act" international tax proposals](#)
- ▶ [US: Latest Build Back Better proposal includes 15% corporate minimum tax on book income](#)

### Other Cross-border Alerts

- ▶ [Turkey enacts new tax Law](#)
- ▶ [Cyprus issues Ministerial Decree on DAC6 Guidelines](#)

### Transfer Pricing Alerts

- ▶ [Thailand publishes mandatory requirements for submission of Thai transfer pricing Country-by-Country reports](#)

### Human Capital Alerts

- ▶ [Argentina announces new policies for inbound travelers](#)
- ▶ [Uruguay implements new policies for inbound travelers](#)

### Indirect Tax Alerts

- ▶ [US and EU agree to end steel and aluminum tariffs and cooperate to address carbon intensity](#)
- ▶ [Puerto Rico's Treasury Department announces new monthly return for consolidated sales and use tax and tax on imports effective for the month of October and subsequent periods](#)
- ▶ [UK Plastic Packaging Tax | Legislation in UK Budget Finance Bill and consultation on new regulations](#)

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## EY Industry and Tax Services publications

### Industries

#### Climate change and sustainability

- ▶ [How investors can help finance a green recovery](#)

#### Private Equity

- ▶ [PE Pulse: Five takeaways from 3Q 2021](#)

#### Technology

- ▶ [How AI is automating intelligently](#)
- ▶ [How PE firms can stand out as competition ramps up for tech targets](#)
- ▶ [What unseen megatrends will shape your transformation?](#)



## Comments

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