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20 December 2021

Americas Tax Roundup

Latest news – Americas

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[OECD releases Model Rules on Global Minimum Tax: First Impressions](#)

The OECD on 20 December released the [Global Anti-Base Erosion Model Rules under Pillar Two](#). The rules “provide governments a precise template for taking forward the two-pillar solution to address the tax challenges arising from digitalisation and globalisation of the economy agreed in October 2021 ... under the OECD/G20 Inclusive Framework on BEPS,” OECD said in a [news release](#). Register [here](#) for an EY webcast on the model rules scheduled for 12 January 2022 (11:30 a.m. – 1:00 p.m. ET).

[Canada delivers its Economic and Fiscal Update 2021](#)

Canada's Federal Deputy Prime Minister and Finance Minister Chrystia Freeland tabled the federal government's Economic and Fiscal Update 2021 on 14 December. The Economic and Fiscal Update 2021 contains several tax measures affecting individuals and corporations. The minister anticipates a deficit of \$144.5b for 2021-22 and projects deficits for each of the next five years.

[Canada's Minister of Finance tables Digital Services Tax](#)

On 14 December 2021, Canada's Deputy Prime Minister and Minister of Finance tabled in the House of Commons a notice of ways and means motion to implement a Digital Services Tax. Stakeholders have been invited to provide comments by 22 February 2022.

[Costa Rica's Tax Authority publishes list of industries and economic activities to be considered as criterion for selecting taxpayers for tax audits](#)

Costa Rica's Tax Authority listed (Resolution No. DGT-R-34-2021) the industries and economic activities that it will consider as a criterion for selecting taxpayers for tax audits in the Annual Audit Plan for fiscal year 2022. The resolution will enter into force on 1 January 2022.

[Costa Rica enacts law to promote investment in and development of international film productions in Costa Rica](#)

Costa Rica enacted the Film Investment Attraction Law, which aims to promote investment in and development of international film productions, co-productions and activities in Costa Rica. The law includes tax incentives for taxpayers that carry out film or audiovisual investment projects in Costa Rica. Those incentives include various tax exemptions and a value-added tax refund for local purchases of goods and services directly related to the project.



US: FinCEN again extends certain signature authority reporting (FBAR, Form 114) over foreign financial accounts

In [Notice 2021-1](#), the US Treasury's Financial Crimes Enforcement Network (FinCEN) further extended the filing deadline for certain individuals who previously qualified for an extension of time to file the Report of Foreign Bank and Financial Accounts (FBAR) regarding signature authority under Notice 2020-1 and previous guidance. Under the Notice, individuals have until 15 April 2023, to file deferred FBARs, subject to any potential further extension. Any persons not covered by the Notice for 2021 will have until 15 April 2022 – automatically extended six months to 17 October 2022 – to file their FBARs for the 2021 calendar year.

Latest edition of EY's 'TradeWatch' available now

EY's TradeWatch outlines recent key legislative and administrative developments for customs and trade around the world. Highlights from the Americas include: (1) Colombia's origin audits carried out by the customs administration, (2) a US Court of Appeals' invalidation of a Customs regulation restricting excise tax drawback and (3) the approval of a new advisory opinion on a combined royalty by the Technical Committee on Customs Valuation in the US.

This week's tax treaty news in the Americas

- ▶ Brazil and Uruguay: income and capital tax treaty ratified by Uruguay
- ▶ Colombia and Spain: investment protection agreement approved by Spanish Council of Ministers
- ▶ Trinidad and Tobago and Denmark: income tax treaty terminated

Upcoming webcasts

[BEPS 2.0: Focus on Pillar Two \(rescheduled to 12 January\)](#)

This webcast continues the series of EY Global webcasts addressing BEPS 2.0 developments. Please join us for a timely discussion of the Pillar Two model rules that were released on 20 December. Panelists will discuss the key elements of the Pillar Two model rules, highlighting what is new. They also will share perspectives on how the European Union and other jurisdictions plan to incorporate these model rules into domestic law.

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

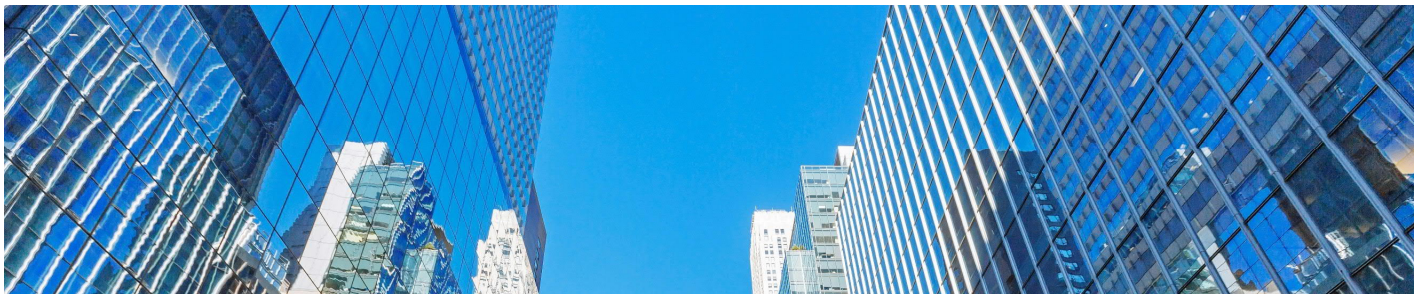
Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 17 December 2021](#)

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

- ▶ US Senate will not take up Build Back America Act in 2021
- ▶ Updated Senate Finance Committee's title of the Build Back Better Act retains House's international tax proposals, but with major technical changes
- ▶ Final foreign tax credit regulations clear OMB, return for final Treasury review
- ▶ OMB reviewing final regulations on interbank offered rates (IBORS)
- ▶ OECD to release Pillar Two Global Anti-Base Erosion Model Rules on 20 December

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



This week's EY Global Tax Alerts

Americas Global Tax Alerts

- ▶ [Report on recent US international tax developments – 17 December 2021](#)
- ▶ [Canada's Minister of Finance tables Digital Services Tax](#)
- ▶ [US | FinCEN again extends certain signature authority reporting \(FBAR, Form 114\) over foreign financial accounts](#)
- ▶ [Costa Rica enacts law to promote investment in and development of international film productions in Costa Rica](#)
- ▶ [Costa Rica's Tax Authority publishes list of industries and economic activities to be considered as criterion for selecting taxpayers for tax audits](#)
- ▶ [Canada delivers its Federal Economic and Fiscal Update 2021](#)
- ▶ [US Senate Finance Committee proposes significant technical changes to international tax provisions in budget reconciliation bill](#)

Other Cross-border Alerts

- ▶ [Japan releases 2022 tax reform outline](#)
- ▶ [Australian Taxation Office releases final guidance on imported hybrid mismatch rule](#)
- ▶ [Cyprus Finance Minister announces Government's plan for tax reform in 2022](#)
- ▶ [Armenian National Assembly ratifies Law introducing concept of electronic services in the Tax Code](#)
- ▶ [UK issues consultation on regulations to implement OECD mandatory disclosure rules](#)

OECD Alerts

- ▶ [OECD releases Model Rules on Global Minimum Tax: First Impressions](#)
- ▶ [OECD releases 2020 peer review report on BEPS Action 5 on the Exchange of Information of Tax Rulings](#)

Human Capital Alerts

- ▶ [Switzerland announces 2022 work permit quotas; Croatians to benefit from unrestricted freedom of movement starting in 2022](#)

Indirect Tax Alerts

- ▶ [France implements automatic reverse charge for import VAT as of 1 January 2022](#)
- ▶ [Italy | Update on VAT electronic invoicing requirements](#)
- ▶ [UK issues updated guidance and regulations on Plastic Packaging Tax](#)



EY Industry and Tax Services publications

Industries

Automotive

- ▶ [How auto suppliers can navigate EV technology disruption in four steps](#)

Health & Life Sciences

- ▶ [How can CGT treatments go from ambition to reality?](#)

Private Equity, Technology and Health & Life Sciences

- ▶ [Are your growth strategies resilient enough for the future?](#)

Issues

Risk and Growth

- ▶ [Video and article: How to enhance risk oversight in an age of transformation](#)

Comments

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

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