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1 August 2022

Americas Tax Roundup

Latest news – Americas

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[Senator Joe Manchin, Senate Majority Leader Chuck Schumer and President Biden announce climate, health, tax deal](#)

Senator Joe Manchin (D-WV), Senate Majority Leader Chuck Schumer (D-NY) and President Biden announced a deal on a \$740 billion reconciliation bill that includes climate/energy, health, and tax components and achieves \$300 billion in deficit reduction. The components of the deal include \$739 billion raised by a 15% corporate minimum tax (\$313 billion), prescription drug pricing reform (\$288 billion), IRS tax enforcement (\$124 billion) and a carried

interest loophole (\$14 billion). The deal also includes \$433 billion in total investments, including energy security and climate change (\$369 billion), and an *Affordable Care Act* extension (\$64 billion). The US Senate is expected to vote on the bill soon.

[US Congress passes \\$280 billion 'Chips-Plus' bill aimed at keeping US competitive in microchips, science and research](#)

A day after passage by the US Senate on 27 July 2022, the US House of Representatives passed the CHIPS (*Creating Helpful Incentives to Produce Semiconductors*) and *Science Act* (HR 4346), a \$280 billion bill that aims to build a domestic US supply chain for semiconductor chips in the face of foreign competition, while also spending billions on scientific and technological research to keep US industries competitive with China and other rivals. The CHIPS and *Science Act* includes \$52.7 billion in funding for semiconductor manufacturing subsidies, grants and loans.

[USCIS extends COVID-19 related flexibilities and permanently allows for electronic signatures](#)

On 25 July 2022, US Citizenship and Immigration Services (USCIS) announced that it is extending the flexibilities for responding to requests, notices, and decisions issued in connection with certain immigration benefits and programs. To summarize, in certain circumstances USCIS will consider a response received within 60 calendar days of the due date before taking any action on a case, thereby effectively extending the response time. This flexibility will apply if the issuance date listed on USCIS's request, notice, or decision is from 1 March 2020 to 23 October 2022.

[OECD releases 2022 update on peer review of preferential tax regimes and no or only nominal tax jurisdictions](#)

The OECD on 27 July 2022 released an [update](#) on the results of the peer reviews of jurisdictions' domestic laws under Action 5 (harmful tax practices) of the OECD/G20 BEPS Project.



This week's tax treaty news in the Americas

- ▶ MERCOSUR and Singapore: negotiations for a free trade agreement concluded
- ▶ Uruguay and China: negotiations for a free trade agreement commenced

Upcoming webcasts

[Private equity and private capital – navigating transformative global and US legislative change \(18 August\)](#)

Please join our panel of professionals for our webcast series – a timely discussion of recent private equity and private capital industry trends and the outlook for US and international legislative and regulatory changes relevant to private equity and alternative funds, transactions and portfolio companies.

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, 29 July 2022](#)

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

- ▶ US Senate Majority Leader, Sen. Manchin reach agreement on \$740 billion climate/energy, health and tax reconciliation bill
- ▶ Congress passes \$280 billion CHIPS and Science Act; goes to President for signature
- ▶ IRS makes substantive changes to final US foreign tax credit regulations

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

This week's EY Global Tax Alerts

Americas Global Tax Alerts

- ▶ [Report on recent US international tax developments - 29 July 2022](#)
- ▶ [USCIS extends COVID-19 related flexibilities and permanently allows for electronic signatures](#)

OECD Alerts

- ▶ [OECD releases 2022 update on peer review of preferential tax regimes and no or only nominal tax jurisdictions](#)

Human Capital Alerts

- ▶ [Latvia begins accepting applications for Digital Nomad Visas](#)

Transfer Pricing Alerts

- ▶ [Kenya introduces Country-by-Country reporting requirements](#)
- ▶ [UK publishes draft legislation on new transfer pricing documentation requirements](#)



Other Global Tax Alerts

- ▶ Australian Taxation Office issues Taxpayer Alert on treaty shopping arrangements to obtain reduced withholding tax rates
- ▶ German Ministry of Finance issues first draft of Annual Tax Act 2022 including provisions regarding extraterritorial taxation of IP
- ▶ German Federal Ministry of Finance publishes draft DAC7 implementation bill
- ▶ Hong Kong enacts new legislation providing tax incentives for shipping commercial principals
- ▶ Indian Government amends Special Economic Zone rules to permit employees of certain Special Economic Zone units to work from home
- ▶ Luxembourg publishes draft tax transparency rules for digital platforms
- ▶ South Sudan enacts Financial Act 2021/2022
- ▶ Thailand gazettes income tax exemption for gains from disposal of shares in companies engaged in target industries, venture capital companies and trusts
- ▶ Türkiye increases ratio for time spent outside of Technology Development Zones and R&D centers

EY Industry and Tax Services publications

Industries

Media & Entertainment Industry

- ▶ [If disruption persists, can M&E companies remain steadfast?](#)

Insurance

- ▶ [Why ESG is critical to insurers' financial leadership](#)

Services

People and workforce

- ▶ [Updated: How COVID-19 is disrupting immigration policies and worker mobility: a tracker](#)

Tax

- ▶ [Top four wealth planning considerations for high net worth individuals](#)

Comments

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