



Building a better
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17 October 2022

Americas Tax Roundup

Latest news – Americas

[Mexico ratifies MLI | Timeline for entry into force will be triggered once instrument of ratification is deposited in the OECD](#)

On 12 October 2022, the Mexican Senate approved the *Multilateral Instrument to implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* (the MLI) without modifications to the terms approved by the joint committee of the Ministries of Foreign Affairs and Treasury on 6 October. Before the MLI can enter into force, the President must sign it and publish it in the *Official Gazette*, and then must deposit it with the OECD.

[Argentine Government issues new exemptions on foreign exchange controls in relation to exports of knowledge-based economy activities](#)

11 October 2022, the Argentine Government published a decree, establishing an investment promotional regime for exports of knowledge-based economy activities. The decree also incorporates new exemptions on foreign exchange controls for taxpayers registered in the promotional regime for the knowledge-based economy and modifies the terms for the tax credit bonds granted under that promotional regime.

[Uruguay's Executive Branch approves conditions for employees of Free Trade Zone users to work remotely](#)

Uruguay's Executive Branch issued Decree 319/022, which sets forth that dependent employees may perform their services remotely from their private domicile in the national territory for their Free Trade Zone employers.

[Puerto Rico's Office of Management and Budget extends the due date for filing the 2022-2023 volume of business declaration to 22 December 2022 because of Hurricane Fiona](#)

Because of Hurricane Fiona, the Puerto Rico Office of Management and Budget extended (Circular Letter 008-2022) to 22 December 2022, the due date for filing volume of business declarations for fiscal year 2022-2023 for taxpayers that requested a six-month extension in May 2022 and were required to file the declaration on or after 30 September 2022, and on or before 2 November 2022.

[Costa Rica's General Directorate of Treasury publishes new criteria for selecting tax exemption regimes and beneficiaries under their supervision for audits](#)

The Costa Rican General Directorate of Treasury published a resolution that contains 22 selection criteria based on risk for auditing taxpayers. Taxpayers that fall under the selection criteria may be audited during 2022 and thereafter.

[Uruguayan Government submits bill to Parliament to modify Uruguayan corporate income tax source criteria](#)

Uruguay's Parliament will discuss a bill that would modify the Uruguayan corporate income tax source criteria to comply with EU requirements. The bill retains many of the provisions included in the draft bill published in July 2022.



[OECD releases report on interaction of tax incentives and Pillar Two](#)

On 6 October 2022, the OECD released the report [Tax Incentives and the Global Minimum Corporate Tax: Reconsidering Tax Incentives after the GloBE Rules](#) (the Report). The Report identifies considerations for jurisdictions when preparing for the implementation of BEPS 2.0 Pillar Two. In particular, it addresses the current use of tax incentives in developed and developing jurisdictions in the context of the GloBE Rules and describes how key provisions of these rules may impact diverse types of tax incentives differently.

[OECD publishes final Crypto-Assets Reporting Framework and amendments to Common Reporting Standard](#)

On 10 October 2022, the OECD published their final report, which details new and amended reporting requirements covering the reporting of crypto-assets and e-money. The report also contains broader revisions to the existing Common Reporting Standard.

[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) US developments in export controls and sanctions; and (2) new classifications for certain ready-to-drink beverages in the US.

This week's tax treaty news in the Americas

- ▶ Brazil and Bermuda: exchange of information agreement approved by Brazilian Senate
- ▶ Brazil and Mozambique: social security agreement approved by Brazilian Senate
- ▶ Canada and Chinese Taipei: talks held on investment protection agreement
- ▶ Paraguay and Türkiye: tax treaty and investment protection agreement close to signing

Upcoming webcasts

[Global IFRS: What to know about hyperinflationary economies – session one \(18 October\)](#)

In this webcast, panelists discuss the principles of hyperinflation. The session focuses on the considerations to make when consolidating a hyperinflationary subsidiary into a non-hyperinflationary group.

[EY Tax.Tech™ Ecosystem series: Unlocking the power of connected tax analytics \(20 October\)](#)

Our EY Tax.Tech™ webcasts are dedicated to helping you keep pace with the dynamic and ever-evolving tax landscape and what it takes to build an intelligent finance and tax function. Join our panelists as they walk through some market-leading tools. They will showcase our EY Connected Tax Analytics in Power-BI, leveraging Thomson Reuters integration to supercharge and automate corporate income tax compliance preparation and review process in ONESOURCE Income Tax.

[Tax in the time of COVID-19: Update on US legislative, economic, regulatory and IRS developments \(21 October\)](#)

COVID-19 and the resulting economic crisis have made reacting to tax developments more complicated than ever. Join us for the next webcast in our series as we discuss how businesses can navigate the tax policy environment and continue to effectively operate their tax function in this time of crisis and change.

[How recent legislation can advance sustainability and ESG agendas \(24 October\)](#)

This webcast will feature an in-depth discussion on how the US Inflation Reduction Act, Infrastructure Investment and Jobs Act, and CHIPS and Science Act will enable companies to tackle climate change.



[Global economic outlook: Managing your business amid uncertainty \(25 October\)](#)

In this webcast, panelists will discuss how corporations and private equity firms can adapt to a slowing economy, high inflation and central bank tightening.

[US corporate income tax compliance: Insights from Tax Year 2021 and planning for the next age of compliance \(26 October\)](#)

As we wrap up the 2021 US business tax compliance season, how did you fare? Join Ernst & Young LLP professionals for a discussion of lessons learned from this year's dynamic compliance environment – and how to plan for the 2022 federal, international and state tax filing season – and beyond.

[BorderCrossings . . . Transfer pricing valuation: deep tracks part II \(27 October\)](#)

During this webcast, part of an ongoing monthly series, EY transfer pricing and tax professionals will keep you informed to be able to adopt a more proactive stance in developing and defending transfer pricing policies and practices.

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, 14 October 2022](#)

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

- ▶ OECD releases new global tax transparency framework for crypto-assets, amendments to Common Reporting Standard
- ▶ IRS to request Sponsoring Entities cancel their FATCA agreement if they fail to meet Sponsoring Entity requirements

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 – 14 October 2022](#)
- ▶ [Argentine Government issues new exemptions on foreign exchange controls in relation to exports of knowledge-based economy activities](#)
- ▶ [Canada | Update on proposed federal investment tax credit for carbon capture, utilization and storage](#)
- ▶ [Costa Rica's General Directorate of Treasury publishes new criteria for selecting tax exemption regimes and beneficiaries under their supervision for audits](#)
- ▶ [Mexico ratifies MLI | Timeline for entry into force will be triggered once instrument of ratification is deposited in the OECD](#)
- ▶ [Puerto Rico's Office of Management and Budget extends the due date for filing the 2022-2023 volume of business declaration to 22 December 2022 because of Hurricane Fiona](#)
- ▶ [Uruguayan Government submits bill to Parliament to modify Uruguayan CIT source criteria](#)
- ▶ [Uruguay's Executive Branch approves conditions for employees of Free Trade Zone users to work remotely](#)



OECD Alerts

- ▶ OECD publishes final Crypto-Assets Reporting Framework and amendments to Common Reporting Standard
- ▶ OECD releases report on interaction of Tax Incentives and Pillar Two

Human Capital Alerts

- ▶ Austria implements new, relaxed eligibility criteria for Red-White-Red Cards

Indirect Tax Alerts

- ▶ Japan significantly relaxes entry restrictions for foreign nationals
- ▶ New Zealand introduces range of new quasi-taxes to combat climate change

Other Global Tax Alerts

- ▶ EU Member States formally adopt electricity revenue cap and solidarity contribution of fossil fuel sector
- ▶ PE Watch: Latest developments and trends, October 2022
- ▶ Spanish Supreme Court rules on dynamic interpretation of tax treaties and “substance-over-form” characterization of cross-border transfer of client and operational data
- ▶ Spanish tax authorities deem a series of consecutive intra-group share transfers as abusive and potentially subject to penalties in binding report

EY Industry and Tax Services publications

Industry

Banking & Capital Markets

- ▶ Understand key challenges and benefits to ISO 20022 migration
- ▶ Nine considerations for ISO 20022 migration

Government & Public Sector

- ▶ How governments can plan for a future-fit, digital workforce
- ▶ How governments can foster a digital-first culture in their workforce

Services

People and workforce

- ▶ Updated: How COVID-19 is disrupting immigration policies and worker mobility: a tracker

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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