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20 March 2023

Americas Tax Roundup

Latest news – Americas

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[Chilean Chamber of Deputies rejects tax reform bill](#)

On 8 March 2023, Chile's Chamber of Deputies rejected the tax reform bill that has been under discussion in Congress since July 2022 (for background, see EY Global Tax Alerts, [Chile's Congress to discuss tax reform proposal](#) and [Chile's Executive Power modifies tax reform bill](#)). It appears the Government will wait one year, as set forth in the Constitution, before submitting a new bill on tax reform. Congress is continuing to discuss two initiatives, one related to the mining industry and one related to green and regional taxes.

[Mexico deposits instrument for ratification of the MLI](#)

On 15 March 2023, the OECD reported that Mexico deposited the instrument for ratification of the *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* (Multilateral Instrument or MLI) to finalize the formal ratification and notification process. The MLI for Mexico will enter into force on 1 July 2023.

[Uruguay's President announces tax reductions that would alleviate some tax burdens for individual taxpayers and small to medium-sized companies](#)

Uruguayan President Luis Lacalle Pou announced upcoming tax reductions that include modifications to Personal Income Tax and Social Security Assistant Tax, as well as other benefits for micro and small companies.

[Uruguayan Government proposes exemptions to aid the agricultural sector given its state of emergency](#)

On 8 March 2023, the Uruguayan Executive Power proposed a bill that would temporarily exempt the agricultural sector from making advanced payments of corporate income tax and net wealth tax for the period of 1 January 2023 to 30 June 2023.

[Costa Rican customs authorities communicate end of temporary relief for maritime freight costs](#)

Costa Rica's General Customs Directorate has communicated through Circular MH-DGA-CIR-0009-2023, that on 30 March 2023, Law No. 10.162, "Temporary relief for maritime transportation costs for national imports, in order to mitigate the container crisis," will expire.

[Canada's Underused Housing Tax Act: Canadian entities may be required to file new tax returns](#)

Canada's new Underused Housing Tax Act contains tax filing requirements and significant late-filing penalties that could impact Canadian owners (other than individuals) of residential real estate. The new legislation came into effect on 1 January 2022, and the first filing deadline is fast approaching on 30 April 2023.

[Canada: New transparency register requirements in Ontario](#)

On 1 January 2023, important changes to Ontario's *Business Corporations Act* went into effect, requiring Ontario private corporations to prepare and maintain a register of individuals with significant control (ISC) over the corporation. This requirement is part of an overall effort to combat various illicit activities.



[Canada: Manitoba issues budget 2023/24](#)

On 7 March 2023, Manitoba Finance Minister Cliff Cullen tabled the province's fiscal 2023/24 budget. The budget contains several tax measures affecting individuals and corporations.

[Canada: Yukon issues budget 2023/24](#)

On 2 March 2023, Yukon Finance Minister Sandy Silver tabled the territory's fiscal 2023/24 budget. The budget contains no new taxes and no income tax increases.

[Global Tax Policy and Controversy Watch | March 2023 edition](#)

EY's publication, Global Tax Policy and Controversy Watch, highlights recent policy and administrative developments around the world. This month's publication highlights (1) a Supreme Court ruling in Brazil on res judicata; and (2) a US Tax Court ruling in an APA cancellation case.

This week's tax treaty news in the Americas

- ▶ [Brazil and Poland: income tax treaty approved by Polish lower house](#)

Upcoming webcasts

[EY Webcast addresses new developments about the US CHIPS and Science Act of 2022 \(21 March\)](#)

The CHIPS Act aims to build a domestic US supply chain for semiconductor chips in the face of foreign competition. The law includes \$52.7 billion in funding for semiconductor manufacturing subsidies, grants and loans. Please join our panel of subject-matter professionals from across the EY organization as they share their insights on the US CHIPS and Science Act of 2022 and the application process.

[How recent developments potentially impact cross-border tax controversy procedures and processes \(30 March\)](#)

During this webcast, representatives from jurisdictions around the world will share emerging trends in cross-border controversy. They will also discuss the OECD's recently published Bilateral APA Manual (BAPAM), the Manual on the Handling of Multinational MAPs and APAs (MoMA), and the revised BEPS Action 14 review process.

[What to know about the 2023 EY Tax risk and controversy survey results – Americas and Europe \(5 April\)](#)

In this webcast for Americas and European audiences, EY explores how taxpayers perceive and manage tax risk and controversy in 2023.

[EY global economic webcast outlook \(19 April\)](#)

This webcast will examine the economic outlook for 2023-24 and how companies can adapt and thrive despite elevated economic uncertainty, financial market volatility and persistent inflation.

[US corporate income tax compliance \(26 April\)](#)

The corporate tax landscape continues to evolve as we prepare for the tax year 2022 filing season. Join EY professionals for an in-depth discussion of how companies can continue to navigate the complexity and challenges of the ever-changing tax compliance landscape, while preparing for tax year 2022 and beyond.

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



Recently archived webcasts

[BEPS Pillar Two administrative guidance and safe harbors: implications for US multinationals \(9 March\)](#)

Recent administrative guidance from the OECD on the Global Anti-Base Erosion (GloBE) rules under BEPS 2.0 Pillar Two addresses many critical issues for US multinationals but also raises many (unanswered) technical questions. The OECD's transitional safe harbor rules, released at the end of 2022, could help relieve compliance burdens for US companies. Join our team of E Y LLP subject matter professionals for a detailed discussion of these developments and practical approaches to help manage the reporting and tax-rate implications.

[Latest clean-energy and manufacturing incentives and grants from the US and Europe \(14 March\)](#)

Now that companies have begun claiming tax credits and grants under the US Inflation Reduction Act of 2022 (IRA) and the Investment, Infrastructure and Jobs Act (IIJA), many have questions about the incentives' requirements, as well as their applicability, timing and disbursement process (which may be time-sensitive). The European Union's recent release of its Green Deal Industrial Plan, which includes initial details to better match US green subsidies for manufacturing, raises similar questions. Join our panelists as they take a deeper dive into next steps of realizing unprecedented government subsidies under the IRA, IIJA and the EU.

Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 17 March 2023](#)

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

- ▶ US Treasury Secretary testifies before Senate Finance Committee on FY '24 budget
- ▶ Republican members voice concern over BEPS 2.0 negotiations
- ▶ Turkish Lira's hyperinflationary status has US tax consequences

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 - 17 March 2023](#)
- ▶ [Global Tax Policy and Controversy Watch | March 2023 edition](#)
- ▶ [Canada's Underused Housing Tax Act: Canadian entities may be required to file new tax returns](#)
- ▶ [Canada: Manitoba issues budget 2023/24](#)
- ▶ [Canada: Yukon issues budget 2023/24](#)
- ▶ [Canada: New transparency register requirements in Ontario](#)
- ▶ [Chilean Chamber of Deputies rejects tax reform bill](#)
- ▶ [Mexico deposits instrument for ratification of the MLI](#)
- ▶ [Uruguayan Government proposes exemptions to aid the agricultural sector given its state of emergency](#)
- ▶ [Uruguay's President announces tax reductions that would alleviate some tax burdens for individual taxpayers and small to medium-sized companies](#)



Other Global Tax Alerts

- ▶ Australian Treasury releases Exposure Draft Bills on thin cap changes and tax transparency disclosure of information
- ▶ Estonian tax measures triggered after new countries including Russia are added to EU list of non-cooperative jurisdictions
- ▶ Japan's Tax Authority confirms that a representative and registration in Japan as required under Companies Act does not create a PE
- ▶ UK Chancellor delivers Spring Budget 2023

Human Capital Alerts

- ▶ Kosovo passport holders will soon be able to travel to the EU without a visa
- ▶ Malaysia allows applicants in Singapore to now apply for Entry Visas online
- ▶ Malaysia expedites pass endorsement for eligible Employment Pass and Professional Visit Pass applicants
- ▶ Sweden announces likely exemption from passport verification process for certain residence and work permit applicants
- ▶ Sweden postpones deadline for report on enhancements to immigration regulations until January 2024
- ▶ UK publishes Statement of Changes to Immigration Rules
- ▶ UK updates right to work guidance for employers
- ▶ UK to launch Electronic Travel Authorization scheme in phases starting in November 2023

Indirect Tax Alerts

- ▶ Costa Rican Customs Authorities communicate end of temporary relief for maritime freight costs
- ▶ Dubai reinstates former import value threshold of consignments
- ▶ Pakistan increases Sales Tax and Federal Excise tax rates
- ▶ UK increases Plastic Packaging Tax rate

EY Industry and Tax Services publications

Industry

Automotive / Energy

- ▶ [How motor racing is accelerating toward action on climate change](#)

Government & Public Sector

- ▶ [Podcast: The transformative power of cloud to improve government](#)

Services

People and workforce

- ▶ [Updated: How COVID-19 is disrupting immigration policies and worker mobility: a tracker](#)
- ▶ [How can reimagined mobility help organizations see reward and not risk?](#)



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