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13 November 2023

Americas Tax Roundup

Latest news – Americas

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[Double tax treaty with United States inches towards Chilean ratification](#)

On 8 November 2023, Chile's House of Representatives approved the 2010 US-Chile income tax treaty. The Chilean Senate is expected to give its approval shortly (15 November). For background, see EY Global Tax Alert, [U.S.-Chile tax treaty advances toward ratification](#), dated 9 June 2023.

[Uruguay and United States sign exchange-of-information agreement](#)

Uruguay and the United States have entered into an agreement to exchange information on tax matters. Under the agreement, Uruguayan and US competent authorities will exchange relevant information on the administration and application of their domestic legislation for the determination, assessment and collection of the taxes referred to in the agreement, or the investigation or prosecution of tax cases.

[US court denies Liberty Global's claim for the IRC Section 245A dividends-received deduction on economic substance doctrine grounds](#)

A US District Court in *US v. Liberty Global* denied a company's dividends-received deduction under Section 245A after applying the codified economic substance doctrine (the Codified ESD) under Section 7701(o). In the 31 October decision, the court took a broad view of the Codified ESD, rejecting the company's argument that the doctrine was limited to transactions to which it is "relevant."

[US IRS rules that a foreign limited partnership indirectly owned by a foreign government is not a per se corporation](#)

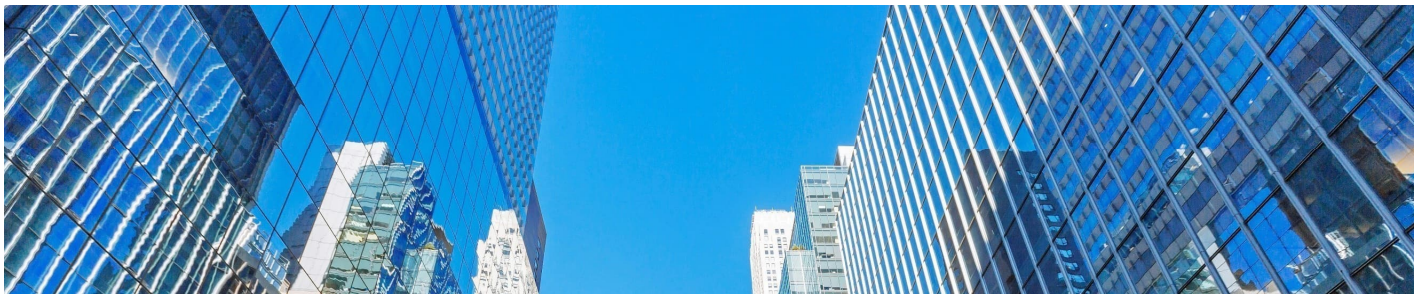
In [PLR 202343034](#), the IRS ruled that a foreign limited partnership, which is indirectly wholly owned by a foreign government through multiple "controlled entities," as defined under Temporary Treas. Reg. Section 1.892-2T(a)(3), is not a "per se" corporation for purposes of Treas. Reg. Section 301.7701-2(b)(6) or (b)(7).

[Canada Revenue Agency publishes anticipated list of designated notifiable transactions](#)

On 1 November 2023, the Canada Revenue Agency published an initial list of notifiable transactions that are relevant to the application of new information reporting requirements.

[Peru implements new residence regulations for nationals of Mercosur and Andean Community Member States](#)

On 23 October 2023, Peru implemented regulations that provide nationals of Andean Community Member States a new pathway for acquiring temporary and permanent residence and allow individuals to apply for Mercosur temporary residence visas in their home country.



[OECD and country officials discuss BEPS 2.0 Pillars One and Two and other OECD tax work](#)

The US Council for International Business and the OECD held their annual tax conference in Washington, DC, on 30-31 October 2023. The bulk of the discussion at the conference focused on developments with respect to BEPS 2.0 Pillars One and Two. In addition, there were sessions on the OECD's work on the global mobility of workers, carbon mitigation and tax certainty.

[Washington Dispatch for October 2023 available now](#)

The latest edition of EY's Washington Dispatch is available. The monthly newsletter summarizes recent developments in US international taxation. Highlights of this month's edition include: (1) OECD releases text of Amount A Pillar One MLC, Treasury announces consultation; (2) House of representatives elects new Speaker; (3) US-Taiwan legislation moves forward; and (4) IRS proposed regulations would amend Section 367(b) regulations applying to certain cross-border triangular reorgs, inbound nonrecognition transactions.

[Global Tax Policy and Controversy Watch | October 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) OECD/G20 Inclusive Framework launches Multilateral Instrument to implement the Subject to Tax Rule; and (2) updated EY Green Tax Tracker now available.

This week's tax treaty news in the Americas

- ▶ [Chile and United States: exchange of letters to tax treaty approved by Chilean Chamber of Deputies](#)

Upcoming webcasts

[International tax talk quarterly series with the EY Global Tax Desk Network \(14 November\)](#)

During this webcast, part of an ongoing series, a panel of experienced EY professionals will provide information on major tax law changes in the countries and jurisdictions across the globe.

[How workforce mobility can navigate AI and global legislative changes \(15 November\)](#)

During this first of a two-part CPE-eligible webcast series, EY professionals will provide global highlights on key legislative changes and considerations for global mobility programs, across immigration, tax, social security and work anywhere.

[Tax in a time of transition: US legislative, economic, regulatory and IRS developments \(17 November\)](#)

Companies need to keep pace with a tax and economic environment in transition. Please join us for a fast-paced overview of recent US tax and economic developments designed for professionals to stay on top of changes in today's shifting economic, legislative and regulatory environment. In this regularly occurring webcast series, panelists will provide updates on: (i) the US economy and tax policy; (ii) what's happening at the IRS; and (iii) breaking developments.

[Tax and Law Sustainability Update: regulatory developments and practicalities \(23 November\)](#)

Given the current worldwide environmental issues influencing businesses, sustainable practices in tax and law have never been more important and complex. To help you achieve your business' sustainability goals and stay up-to-date on the latest regulatory developments, we encourage you to join us in the third live webcast in the Tax & Law Sustainability Update series: regulatory evolution and practicalities. In this webcast, we will explore EU Deforestation regulation and its impact on businesses, and discuss steps toward tax transparency, as well as perspectives on CBAM from importers and exporters.



[US Health Sector Update December 2023 \(4 December\)](#)

In this webcast, we'll focus on accounting and auditing topics relevant to the provider care industry for both not-for-profit and for-profit organizations.

Recently issued EY podcasts

[EY Podcast: weekly US international cross-border taxation news for week ending 10 November 2023](#)

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

- ▶ US Treasury and IRS release proposed regulations on Section 987, income and currency gain or loss with respect to QBUs
- ▶ US court denies Section 245A DRD deduction based on economic substance
- ▶ Hungary authorizes signing of new US-Hungary CCA for exchange of CbC reports
- ▶ OECD, senior government officials discuss BEPS 2.0 Pillars One and Two

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

[Monthly ITTS Washington Dispatch \(October 2023\)](#)

EY's monthly Washington Dispatch podcast summarizes recent developments in US international taxation. You can register for this monthly podcast on iTunes [here](#).

This week's EY Global Tax Alerts

Americas Tax Alerts

- ▶ [Report on recent US international tax developments – 10 November 2023](#)
- ▶ [Global Tax Policy and Controversy Watch | November 2023 edition](#)
- ▶ [PE Watch | Latest developments and trends, November 2023](#)
- ▶ [OECD and country officials discuss BEPS 2.0 Pillars One and Two and other OECD tax work](#)
- ▶ [OECD releases tax report to G20 Finance Ministers and seventh annual progress report of the Inclusive Framework](#)
- ▶ [Canada Revenue Agency publishes anticipated list of designated notifiable transactions](#)
- ▶ [US court denies Liberty Global's claim for the IRC Section 245A dividends-received deduction on economic substance doctrine grounds](#)
- ▶ [US IRS rules that a foreign limited partnership indirectly owned by a foreign government is not a per se corporation](#)
- ▶ [Double tax treaty with United States inches towards Chilean ratification](#)
- ▶ [Uruguay and United States sign exchange-of-information agreement](#)
- ▶ [Salvadoran Congress approves brief tax amnesty program](#)



Other Global Tax Alerts

- ▶ Hungary's draft legislation on BEPS 2.0 Pillar Two introduced to Parliament
- ▶ Saudi Arabia issues drafts of new Income Tax Law and Zakat and Tax Procedures Law for public consultation

Human Capital Alerts

- ▶ Australia expands pathways to permanent residence
- ▶ Denmark announces new short-term work permit exemption for eligible third-country nationals
- ▶ Peru implements new residence regulations for nationals of Mercosur and Andean Community Member States
- ▶ UAE Minister of Economy announces single unified visa for Gulf Cooperation Council countries
- ▶ China Mainland becomes a signatory to the Apostille Convention
- ▶ Italy implements major changes relating to EU Blue Cards
- ▶ UK government announces GBP 118 million artificial intelligence skills package

Indirect Tax Alerts

- ▶ Kenya High Court ruling provides clarity on what constitutes manufactured tobacco

EY Industry and Tax Services publications

Industries

Consumer Products & Retail

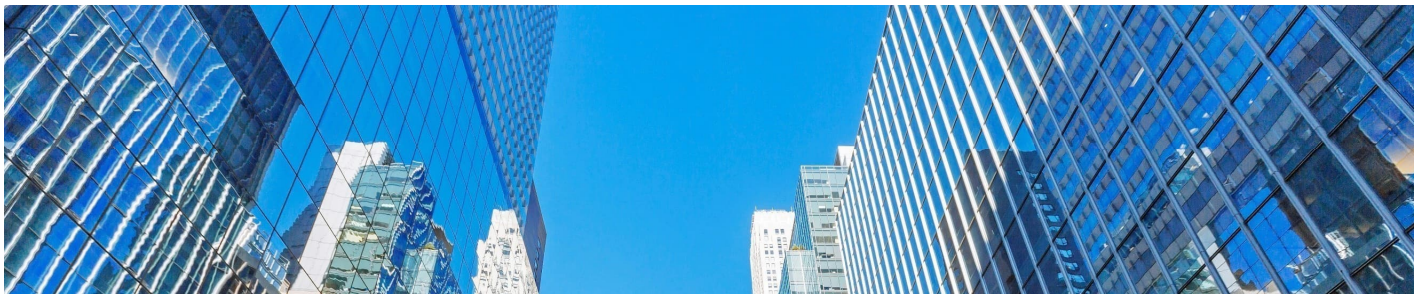
- ▶ [If you could meet tomorrow's consumers today, what would you ask?](#)

Government & Public Sector

- ▶ [Podcast: How to get grant funding to those most in need](#)
- ▶ [Podcast: How grants can deliver impact in complex and changing environments](#)
- ▶ [Podcast: How grant administrators can get the best outcome from their funds](#)
- ▶ [Podcast: How to use technology to broaden access and measure the impact of grants](#)

Comments

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