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4 December 2023

Americas Tax Roundup

Latest news – Americas

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[Canada's new reporting rules for digital platform operators take effect 1 January 2024](#)

Digital platform operators will need to comply with extensive new reporting requirements in the new year. Legislation to implement model rules developed by the OECD for digital platform operators takes effect on 1 January 2024, with the first reporting – and exchange of information by the Canada Revenue Agency with its partner jurisdictions' tax administrations – occurring in early 2025 with respect to the 2024 calendar year.

[Canada releases Federal Fall Economic Statement 2023](#)

On 21 November 2023, federal Deputy Prime Minister and Finance Minister Chrystia Freeland tabled the federal government's [Fall Economic Statement 2023](#) (the FES), which contains several tax measures affecting individuals and corporations. On the same day, draft legislative proposals were released with respect to the proposed new goods and services tax/harmonized sales tax joint venture election rules.

[Bipartisan US-Taiwan tax bill moves forward, could be attached to broader tax legislation](#)

The US House Ways and Means Committee on 30 November unanimously approved the bipartisan *United States-Taiwan Expedited Double-Tax Relief Act* (H.R. 5988), under which income from US sources earned or received by qualified residents of Taiwan would be entitled to certain benefits. H.R. 5988, which would add IRC Section 894A to the Code, was amended to add a new provision that would authorize the President to negotiate and enter into one or more non-self-executing tax agreements to provide for bilateral tax relief with Taiwan after a determination is made that Taiwan has provided benefits to US persons that are reciprocal to the benefits provided under IRC Section 894A.

[US IRS reiterates that guidance may be coming on considering implicit support when pricing intercompany loans](#)

The US IRS confirmed during a panel at the American Bar Association's virtual conference on 17 October 2023, that it "is heavily considering sub-regulatory transfer pricing" guidance on whether companies must price intercompany debt using a group approach where a parent would support the borrower if a financial need existed (i.e., implicit support). This sub-regulatory guidance could apply retroactively to all pre-existing intercompany debt or guarantees.

[OECD's 2022 mutual agreement procedure statistics show US decreasing MAP case inventories, increasing time to close](#)

On 14 November 2023, the OECD released [statistics](#) on the mutual agreement procedure (MAP), showing that the US MAP program's inventory decreased by 4% in 2022. In addition, the US MAP program closed more cases (that were started on or after 1 January 2016) than it opened in 2022.



[EY publication highlights 2023 Q3 tax policy developments across the Americas](#)

The latest edition of the Americas Tax Policy Update is now available. Highlights in this edition include: (1) OECD releases 2023 report on tax transparency in Latin America; (2) Argentine Government amends the Income Tax Law, incorporating “cedular” tax for “high-income” individuals; and (3) Canada moves ahead with its own digital services tax, releasing draft legislation.

This week's tax treaty news in the Americas

- ▶ Bermuda and Saudi Arabia: air services agreement signed
- ▶ Colombia and Austria: negotiations for income and capital tax treaty authorized by Austrian Council of Ministers
- ▶ Paraguay and Spain: income tax treaty approved by Paraguayan Senate
- ▶ Peru and Qatar: air services agreement signed
- ▶ Quebec and Tunisia: social security agreement ratified
- ▶ United States and Romania: social security agreement approved by Romanian Chamber of Deputies
- ▶ United States and Taiwan: legislative package on double-tax relief endorsed by US Senators

Upcoming webcasts

[US proposed regulations under IRC Section 987: What you need to know \(and do\) now \(8 December\)](#)

Please join an in-depth discussion of the recently released proposed IRC Section 987 regulations, which provide new guidance on determining income and currency gain or loss with respect to a qualified business unit (QBU) that uses a different functional currency than its tax owner. While the proposed regulations retain some of the framework from the 2016 and 2019 final regulations, numerous important changes have been made that will require significant analysis, data gathering and computations in advance of transitioning to the new rules.

[Spotlight on BEPS 2.0: developments and practical implications for US MNEs \(13 December\)](#)

Jurisdictions are enacting and proposing legislation implementing the Pillar Two rules developed under the BEPS 2.0 project and global minimum tax rules are set to take effect as soon as 2024. Join Pillar Two subject-matter professionals for an action-oriented panel discussion, moderated by EY's Jose Murillo, National Tax Department Leader and former US Treasury Deputy Assistant Secretary (International Tax Affairs).

[Tax in a time of transition: US Legislative, economic, regulatory and IRS developments \(15 December\)](#)

Companies need to keep pace with a tax and economic environment in transition. This requires understanding tax policy trends and anticipating future developments that could impact their operations. Please join a fast-paced overview of recent US tax and economic developments. 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.



Recently issued EY podcasts

[EY Podcast: weekly US international cross-border taxation news for week ending 1 December 2023](#)

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

- ▶ US-Taiwan tax bill moves forward
- ▶ OECD to release additional BEPS 2.0 Pillar Two guidance by year-end

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

This week's EY Global Tax Alerts

Americas Tax Alerts

- ▶ [Report on recent US international tax developments – 1 December 2023](#)
- ▶ [Canada releases Federal Fall Economic Statement 2023](#)
- ▶ [Canada's new reporting rules for digital platform operators take effect 1 January 2024](#)
- ▶ [OECD's 2022 mutual agreement procedure statistics show US decreasing MAP case inventories, increasing time to close](#)

Other Global Tax Alerts

- ▶ [European Commission announces €4b funding call under the EU Innovation Fund for net-zero tech innovation projects](#)
- ▶ [Ghana issues Budget Statement and Economic Policy for the 2024 Financial Year](#)
- ▶ [Italy | Overview of recent tax developments including BEPS Pillar Two provisions](#)
- ▶ [Kenya's enactment of new laws moves towards Universal Health Coverage](#)
- ▶ [Kuwait joins OECD/G20 Inclusive Framework on BEPS and considers introduction of Business Profits Tax](#)
- ▶ [South Africa introduces amendment to employee tax withholding requirement for non-resident employers](#)

Human Capital Alerts

- ▶ [China implements new visa-free policy for nationals of France, Germany, Italy, Malaysia, the Netherlands and Spain](#)
- ▶ [Finland closes more border crossing points with Russia; one crossing point remains open](#)
- ▶ [Finland closes last crossing point on land border with Russia](#)
- ▶ [Hungary's immigration bill proposes new categories of work and residence permits](#)
- ▶ [Ireland's Department of Enterprise, Trade and Employment to stop accepting applications for Stamp 4 Support Letters](#)
- ▶ [Sweden delays implementation of changes to EU Blue Card regulations](#)
- ▶ [Switzerland to retain quotas for Croatian nationals in 2024](#)
- ▶ [Switzerland to retain work permit quotas for EEA, UK and third-country nationals in 2024](#)
- ▶ [UK announces business visitor visa reform in Autumn Statement 2023](#)
- ▶ [UK Autumn Statement 2023 discussed](#)



Indirect Tax Alerts

- ▶ [Canada's new reporting rules for digital platform operators take effect 1 January 2024](#)
- ▶ [Turkiye removes right to deduct import VAT calculated due to certain trade policy measures](#)

EY Industry and Tax Services publications

Industries

Financial Services

- ▶ [Five priorities for harnessing the power of GenAI in banking](#)
- ▶ [How increased trust and transparency can unlock growth](#)

Government & Public Sector/Technology

- ▶ [G7 AI Principles and Code of Conduct](#)

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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