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Americas Tax Roundup

Latest news – Americas

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[OECD releases final guidance on Pillar One Amount B on baseline distribution](#)

On 19 February 2024, the OECD published the [final report](#) on Pillar One Amount B (the Report), which is intended to simplify and streamline the application of the arm's-length principle to baseline marketing and distribution activities, with a particular focus on the needs of low-capacity countries. Unlike other BEPS 2.0 measures, Pillar One Amount B is not subject to a revenue threshold and can be applicable to many multinational businesses. The Report is incorporated into the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022.

[Canada's new clean technology investment tax credit discussed](#)

Bill C-59, *Fall Economic Statement Implementation Act, 2023*, which received first reading in the House of Commons on 30 November 2023 and will likely be enacted in Spring 2024, includes draft legislative proposals for the new clean technology investment tax credit and related labor requirements, as announced in the 2022 federal fall economic statement and the 2023 federal budget.

[Costa Rican Tax Authority now requires national large taxpayers declaring losses or zero profits to automatically submit audited financial statements](#)

On 15 February 2024, Costa Rica's Tax Authority issued Resolution No. MH-DGT-RES-0002–2024, which introduces significant changes for national large taxpayers who report losses or zero profits on their corporate income tax returns. Under the resolution, national large taxpayers who declare losses or zero profits must now submit audited financial statements automatically, without waiting for a request from the Tax Authority.

[The Latest on BEPS and Beyond | February 2024](#)

EY's Latest on BEPS and Beyond (February 2024 edition) is now available. Highlights in this edition include (1) an update on the joint statement from the US and five European countries on digital services taxes; (2) Chilean government proposes amendments to the general anti-abuse rule; and (3) OECD publishes International Compliance Assurance Program statistics.

[BEPS 2.0: As policies evolve, engagement is key](#)

A [report](#) by the EY Quantitative Economics and Statistics practice has found that, even if the US does not adopt the OECD/G20 BEPS 2.0 Pillar Two rules, widespread adoption by other jurisdictions would increase the corporate tax liability of in-scope US multinational entities (MNEs) with operations both inside and outside the United States by 18%. It could also have significant effects on the US economy, with the potential to reduce domestic MNE jobs by roughly 370,000 and annual domestic MNE investment by almost \$22 billion.



This week's tax treaty news in the Americas

- ▶ [Argentina and Israel](#): social security agreement and administrative arrangement entered into force
- ▶ [Costa Rica and Ecuador](#): free trade agreement approved by National Assembly of Ecuador
- ▶ [Paraguay and Spain](#): income tax treaty approved by Spanish Council of Ministers

Upcoming webcasts

[The future of workplace wellbeing: trends to watch in 2024 \(5 March\)](#)

In this webcast, panelists will explore (1) the link between employees' mental health and financial wellbeing, (2) total reward and wellbeing trends and potential implications for businesses, and (3) the building blocks of a compelling total rewards and wellbeing strategy to support the Employee Value Proposition and how organizations can leverage these programs to attract, retain, motivate and engage their workforces.

[The outlook for global tax policy and controversy in 2024 \(5 March\)](#)

With so much tax change unfolding, the *2024 EY Tax Policy and Controversy Outlook* explores what you should act on now and what you should keep your eye on next. Join a panel of EY Tax Policy and Controversy Leaders on this webcast as they discuss the *Outlook's* findings and highlight the most significant trends.

[BEPS 2.0 Pillar One update: Amount B implications \(7 March\)](#)

In this webcast, panelists will discuss the latest release by the OECD regarding BEPS Pillar One Amount B on baseline distribution activities and the implications for companies.

[The US Inflation Reduction Act: monetization benefits for companies across all sectors \(12 March\)](#)

The US Inflation Reduction Act of 2022 (IRA) contained \$369 billion in climate and energy-related provisions designed to (1) incentivize and accelerate the buildout of renewable energy, (2) accelerate the adoption of electric vehicle (EV) technologies and (3) improve the energy efficiency of buildings and communities. Now that Treasury and the IRS have issued guidance on almost all of the IRA's provisions, companies across all sectors will want to take another look at the law's provisions to enhance investment with credit transferability and monetization. Please join EY's tax professionals to gain perspective on the key tax considerations and forecasting required to determine how to capture credit value and monitor compliance.

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

Please 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 Department of the Treasury Deputy Assistant Secretary (International Tax Affairs). Topics to be covered include: (i) recent BEPS 2.0 activity around the globe; (ii) practical considerations for the upcoming Q1 tax provision; and (iii) Amount B overview.

[Economic impact of AI: the dawn of a new economic paradigm? \(19 March\)](#)

During this webcast, our panelists will discuss (i) how GenAI will affect the global economy and how quickly the impact could be felt; (ii) economic opportunities and risks presented by GenAI; and (iii) actionable insights tailored for business leaders, boards of directors, policymakers and other influential stakeholders.



Recently issued EY podcasts

[EY Podcast: weekly US international cross-border taxation news for week ending 23 February 2024](#)

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

Highlights this week include:

- ▶ US Congress to return to session
- ▶ OECD releases final guidance on BEPS Pillar One Amount B on baseline distributions.

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 – 23 February 2024](#)
- ▶ [OECD releases final guidance on Pillar One Amount B on baseline distribution](#)
- ▶ [Canada's new clean technology investment tax credit discussed](#)
- ▶ [Costa Rican Tax Authority now requires National Large Taxpayers declaring losses or zero profits to automatically submit audited financial statements](#)

Other Global Tax Alerts

- ▶ [Malta transposes EU's Global Minimum Tax Directive reflecting non-implementation position for IIR, UTPR and QDTT](#)
- ▶ [New Zealand Government opts out of Pillar One, Amount B](#)
- ▶ [Saudi Arabia unveils new tax rules for the Regional Headquarters program](#)
- ▶ [South Africa announces implementation of the global minimum corporate tax](#)

Human Capital Alerts

- ▶ [France introduces new tax and social security measures for 2024](#)
- ▶ [Italy's social security agreement with Japan will enter into force on 1 April 2024](#)
- ▶ [Malawi announces visa exemption for nationals of 79 countries, extended validity period for multiple-entry visas](#)
- ▶ [UK's Migration Advisory Committee publishes rapid review of the Immigration Salary List](#)
- ▶ [UK publishes Statement of Changes to Immigration Rules](#)

Indirect Tax Alerts

- ▶ [Italy's plastic tax will enter into force on 1 July 2024](#)



EY Industry and Tax Services publications

Industries

Technology

- ▶ [Webcast: Economic impact of AI: the dawn of a new economic paradigm? \(19 March\)](#)

Services

People and workforce

- ▶ [Webcast: The future of workplace wellbeing: trends to watch in 2024 \(5 March\)](#)

Tax

- ▶ [Podcast: EY talks tax: BorderCrossings ... with EY transfer pricing and tax professionals \(January 25, 2024\)](#)

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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