

Global Tax Alert

News from EY Americas Tax

Uruguay's Executive Power proposes bill for promotion of scientific research on cannabis

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Uruguay's Executive Power submitted a bill, on 1 August 2019, to the General Assembly that would promote research and scientific knowledge on cannabis by allowing the Executive Power to exempt laboratory equipment and supplies used in cannabis research from import duties. The importation of such equipment and supplies would not require a customs broker.

The bill also would establish a Uruguayan Center for Advanced Studies in Cannabis and a National Cannabis Research Fund, which would finance cannabis research activities.

If enacted, the bill would allow donations made to the Institute of Regulation and Control of Cannabis to be considered as "special donations" for corporate income tax (CIT) purposes. As a result, the bill would allow taxpayers to deduct a portion of the donations and use the remaining amounts to offset the CIT.

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