



Americas Tax Roundup

7 October 2019

Important announcement: Register to receive Americas Tax Roundup via new EY delivery platform

The Americas Tax Roundup is now being sent out through EY's *Tax News Update: Global Edition* (GTNU) email subscription service.

We will be sending the AT Roundup via **both** the GTNU and the current email distribution system, but we urge you to register for the GTNU platform as soon as possible ([instructions available here](#)) in order to continue receiving the Roundup.

If you have any questions, issues or comments, please email Global Tax News Update Help at globaltaxnewsupdatehelp@ey.com.

Latest news - Americas

US announces countermeasure duties following WTO ruling on EU subsidies; new US exclusions for China-origin goods; and US-Japan FTA moves forward

On 2 October, the World Trade Organization (WTO) Arbitrator issued its report regarding the appropriate value (US\$7.5 billion) of acceptable countermeasures the US could impose on the EU for providing subsidies to non-US aircraft manufacturers. The US Trade Representative (USTR) subsequently announced countermeasure duties with an effective date of 18 October 2019.

Also on 2 October, the USTR published newly granted exclusions for Chinese origin products subject to punitive tariffs on Lists 1 and 2. The USTR had [previously granted additional exclusions on 20 September](#). Companies with exports to China are encouraged to evaluate the recently announced exclusions and determine eligibility for seeking potential refunds.

Additionally, on 25 September, the US and Japan took [steps towards a formal US-Japan Free Trade Agreement](#) by signing a trade-enhancement agreement intended to lower tariffs between the two nations and also reaching a separate agreement addressing digital trade.

Argentine taxpayers may be entitled to request a reduction in income tax prepayments due to application of integral adjustment for inflation

With accrued annual inflation at 30.1% as of 31 August 2019, the integral inflation adjustment mechanism has been triggered in Argentina for companies that will close their tax years in December 2019 and thereafter. Those companies should evaluate whether they need to request a reduction in their income tax prepayments to prevent the prepayments from exceeding their tax obligations as a result of the inflation adjustment.

International Chamber of Commerce launches Incoterms® 2020: global trade, indirect tax, legal, OME, and IT consequences

The International Chamber of Commerce has published the latest edition of the Incoterms® which will enter into force on 1 January 2020. Incoterms® (International Commercial Terms) are internationally accepted standards which define the responsibilities of sellers and buyers for the delivery of goods under sales contracts. The Incoterms® 2020 modifications, which are intended to clearly and accurately reflect present-day trade practices, have implications for global trade & customs, indirect tax, legal, operational model and effectiveness (OME), and information technology (IT).

Subscribe to EY's AT Roundup

ATC Roundup is distributed weekly to all EY clients in the Americas.

[Subscribe here](#). If you feel that you are receiving this newsletter in error, [unsubscribe here](#).

iPad App Corporate Tax Guide & Indirect Tax Guide

Download our free app via the [the iTunes store](#).

EY Thought Center Podcasts and Webcasts

Register for podcasts [here](#).

Register for webcasts [here](#).

General EY Publications

- [Worldwide Digital Tax Guide](#)
- [2019 Outlook for global tax policy and controversy | 9th edition](#)
- [2019 Worldwide Corporate Tax Guide](#)
- [2018-2019 EY Worldwide Transfer Pricing Reference Guide](#)
- [2019 Worldwide VAT, GST and Sales Tax Guide](#)
- [2019 Indirect Tax – updated worldwide developments map](#)
- [2019 Global Oil and Gas Tax Guide](#)
- [2019 Worldwide Capital and Fixed Assets Guide](#)
- [2019 Worldwide Estate and Inheritance Tax Guide](#)
- [2018-19 Worldwide Personal Tax and Immigration Guide](#)
- [2019 Worldwide R&D Incentives Reference Guide](#)
- [A complete list of EY Tax Guides](#)

Tax Insights Magazine

Tax Insights Magazine is a series of publications, produced by EY, that will help you to gain a more thorough understanding of tax issues. It features the insights of high-level executives and professionals, as well as contributions from leading policy-makers and academics.

Costa Rica issues guidelines for commercial documents saved by auxiliaries of the Customs Civil Service

Costa Rica's General Customs Directorate has published a resolution that establishes the guidelines that apply to the commercial documents saved by auxiliaries of the Customs Civil Service, as well as the period for which they must keep the commercial documents. Companies that import goods should be aware of the guidelines and correct handling of commercial documents.

Puerto Rico's reduced sales and use tax rate for prepared food sales effective 1 October 2019

Beginning 1 October 2019, the reduced sales and use tax (SUT) rate of 7% applies to the sale of prepared foods in Puerto Rico, instead of the general 11.5% rate. The Puerto Rico Treasury Department has issued guidance on the procedure for merchants to obtain authorization to collect the 7% reduced SUT rate and has already issued over 5,000 certificates to eligible merchants.

EY releases 'Transfer Pricing and International Tax Survey 2019' report

EY's *Transfer Pricing and International Tax Survey 2019* report gathers insights into global transfer pricing (TP) from responses from more than 700 senior tax and transfer pricing executives around the world. The report analyzes the results in articles focused on specific issues, including what changing TP practices means for businesses, TP risk and controversy trends, and the TP implications of the global tax reform "revolution."

EY Canada releases latest issue of *TaxMatters@EY*

TaxMatters@EY, a monthly bulletin prepared by EY Canada, provides a summary of recent Canadian tax news, publications, and resources. The October 2019 issue covers (1) issues in artificial intelligence that should be on board members' radar, (2) how a growing procurement footprint can increase companies' tax footprint, and (3) a Tax Court of Canada decision dealing with a claim of an allowable business loss, interest deduction, and capital loss a failed investment

This week's tax treaty news in the Americas

- **Argentina and Luxembourg:** Luxembourg approved tax treaty
- **Central America and South Korea:** Korea-Central America free trade agreement entered into force 1 October 2019 between South Korea and Costa Rica, El Salvador, Honduras, and Panama
- **Chile and European Free Trade Association (Iceland, Liechtenstein, Norway, and Switzerland):** negotiations held to revise free trade agreement
- **Jamaica and Italy:** Italian Chamber of Deputies approved tax treaty
- **MERCOSUR (Argentina, Brazil, Paraguay, and Uruguay) and South Korea:** free trade agreement negotiations held

This week's EY Global Tax Alerts

Global Tax Alerts

- [Report on recent US international tax developments - 4 October 2019 \(4 October 2019\)](#)
- [Greece amends certain employment law provisions \(3 October 2019\)](#)
- [EU General Court rejects appeal in Luxembourg State aid case concerning financing company \(2 October 2019\)](#)
- [International Chamber of Commerce launches Incoterms® 2020: Global Trade, Indirect Tax, Legal, OME and IT consequences \(2 October 2019\)](#)
- [French Government releases draft Finance Bill for 2020 \(1 October 2019\)](#)
- [Argentine taxpayers may be entitled to request reduced income tax prepayments due to application of integral adjustment for inflation \(1 October 2019\)](#)
- [Belgium issues Circular letter clarifying "grandfathered loans" under new interest deduction limitation rule \(30 September 2019\)](#)

Tax information at your fingertips

[Global Tax Guides app](#)

Access tax technical data on 150+ jurisdictions from your iPad® anywhere in the world. [Learn more](#)

Comments

If you have any questions or suggestions about this newsletter, please contact [Amy Gist](#)

Brief privacy notice

Mancera S.C. (EY Mexico) customers, domiciled at Avenida Ejército Nacional 843-B Piso 1, Colonia Granada, Delegación Miguel Hidalgo, Postal Code 11520, Mexico City, Federal District, Mexico, are hereby advised that EY Mexico uses their personal data for sending the electronic newsletter containing news and updates on various topics, and promoting our services and events. Check our full privacy notice at www.ey.com/mx

Aviso de Privacidad Corto

Para los clientes de Mancera, S.C. (EY México), con domicilio en Avenida Ejército Nacional 843-B Piso 1, Colonia Granada, Delegación Miguel Hidalgo, C.P. 11520, ciudad de México, Distrito Federal, México se les informa que EY México utiliza sus datos personales para el envío de nuestro boletín electrónico de noticias y actualización de temas diversos, así como promociones de nuestros servicios y eventos. Le invitamos a conocer nuestro aviso de privacidad integral en www.ey.com/mx

Forward to a colleague

- German Ministry of Finance amends draft Mandatory Disclosure Rules (30 September 2019)
- Bahrain clarifies economic substance requirements (30 September 2019)

Transfer Pricing Alert

- Australian Taxation Office issues guidance on compliance approach to transfer pricing issues for nonresident owned mobile offshore drilling units (30 September 2019)

Indirect Alerts

- WTO rules on US complaint regarding EU civil aircraft subsidies; US announces countermeasure duties on certain EU products and also takes further action on China origin goods (3 October 2019)
- Uzbekistan amends tax provisions including a reduction of the VAT rate (2 October 2019)
- Puerto Rico's reduced sales and use tax rate for prepared food sales effective 1 October 2019 (1 October 2019)
- Costa Rica's General Customs Directorate publishes resolution on guidelines for commercial documents retained by auxiliaries of Customs Civil Service (1 October 2019)
- UAE Tax Authority recommends registration of businesses for excise tax before 1 December 2019 (30 September 2019)

Human Capital Alerts

- Taxation of employment income for Singaporeans working abroad discussed (30 September 2019)
- Singapore's Employment Pass applications to be facilitated for qualifying tech firms (30 September 2019)

Upcoming webcasts

Preparing for uncertainty: an update on Americas and global tax policy developments | 16 October, 1:00–2:15 p.m. EDT New York

Tax policy continues to affect business decisions around investment, supply chains and future planning. EY panelists Barbara Angus, EY Global Tax Policy Leader, Ray Beeman, Co-leader, Washington Council Ernst & Young, Ernst & Young LLP and Gustavo Carmona Sanches, Brazil Tax Desk, International Tax and Transaction Services, Ernst & Young LLP will discuss what businesses should be thinking about in this transformative environment and will share their thoughts on what's next on the tax policy agenda.

Recently archived webcasts now available on-demand

What you need to know about tax controversy in 2019 and beyond

Businesses are facing unprecedented levels of global tax controversy risk. To help organizations manage this risk, panelists in a recent webcast discussed global controversy trends, OECD Forum on Tax Administration developments, EY global survey results on the use of criminal sanctions, and leading practices for businesses to protect themselves.

EY industry, service and issue publications

Industries

Banking & Capital Markets

- [How banks can use data and technology to help SME businesses grow](#)

Services

Tax

- [Eight challenges to consider in transfer pricing risk](#)

Issues

Growth

- [Could quantum computing be the technology that drives your quantum leap forward?](#)

Managing Risk

- [How can risk foresight lead to AI insight?](#)

Unsubscribe from this email

EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit www.ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

Important Commercial Notice: This email may constitute an advertisement or solicitation under US law, if its primary purpose is to advertise or promote the products or services of Ernst & Young LLP or any of its client-serving affiliates. Our principal postal address is 5 Times Square, New York, NY 10036.

Use the link below to opt-out if you would prefer not to receive any advertising or promotional email from Ernst & Young LLP or any of its affiliates (except for Ernst & Young Online and the ey.com website, which track email preferences through a separate process). Your email address will be immediately removed from our central mailing list for newsletters and alerts, and all emails from Ernst & Young LLP and its affiliates designated as advertising or promotional will be automatically blocked as soon as necessary modifications to our email system are completed.

[Remove me from all EY commercial emails.](#)