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11 April 2022

Americas Tax Roundup

Latest news – Americas

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[Colombia modifies regulations on ultimate beneficial owners](#)

The Colombian Tax Authority modified regulations on reporting ultimate beneficial owners. The modifications limit ultimate beneficial owner reporting to certain foreign entities and set forth new due dates for submitting the information.

[Peru's President amends rules for determining the fair market value of Peruvian shares in direct transfers](#)

Peru's President enacted Legislative Decree 1539, amending the Income Tax Law to modify the fair market value rules for direct transfers of Peruvian shares.

[Peru's President amends silent partnership rules](#)

Peru's President enacted Legislative Decree 1541, amending the Income Tax Law to modify the tax treatment of silent partnerships. Specifically, the legislative decree establishes that income distributed to the silent partner will be considered dividends and dividends distributed to nonresident silent partners will be considered Peruvian-source income, subject to 5% withholding.

[Brazil modifies additional freight for merchant marine renewal rate](#)

On 25 March 2022, Brazil enacted the Cabotage Transport Stimulus Program, which modifies the additional freight for the merchant marine renewal (AFRMM) rate. Specifically, it decreases the AFRMM rate from 25% for long haul navigation and 10% for cabotage navigation to 8%.

[Canada: Ontario increases nonresident speculation tax rate and extends application provincewide](#)

Ontario filed Regulation 240/22 on 30 March, which implements amendments to increase the nonresident speculation tax rate to 20% (from 15%) and extend the application of the tax province-wide. Further, tax rebates for international students and foreign nationals working in Ontario have been eliminated. The stated purpose of these measures is to reduce foreign residential real estate speculation and help make Ontario homeownership more affordable for Ontario residents.

[Canada expands sanctions on Russia, announces prohibitions on exports of goods and technology](#)

Following the 10 March 2022 announcement of additional sanctions under the Special Economic Measures (Russia) Regulations (Regulations), from 14 March 2022 to 24 March 2022, Canada further amended the Regulations by adding 175 individuals and prohibiting the export of certain goods and technologies described in the Restricted Goods and Technologies List.

[Brazil removes pre-travel COVID-19 test requirement for vaccinated travelers](#)

Effective 1 April 2022, travelers who are fully vaccinated against COVID-19 are no longer required to get tested for COVID-19 prior to travel to Brazil.



[Costa Rica lifts all COVID-19-related entry requirements](#)

Effective 1 April 2022, inbound travelers are no longer required to submit a health declaration form, provide their medical insurance details, or demonstrate their COVID-19 vaccination status prior to travel to Costa Rica.

[OECD releases fourth annual peer review report on BEPS Action 6 relating to prevention of treaty abuse](#)

On 21 March 2022, the OECD released the fourth annual peer review report (the [Report](#)) on the implementation of the Action 6 minimum standard on Base Erosion and Profit Shifting relating to prevention of treaty abuse. The main findings show that compliant agreements concluded between members of the Inclusive Framework and covered by the Multilateral Instrument (MLI) have almost doubled from 350 to more than 650 between 2020 and 2021. Also, more than 960 additional agreements will become compliant under the MLI once all relevant signatories have ratified it.

[EY publication highlights 2022 Q1 tax policy developments across the Americas](#)

The latest edition of the Americas Tax Policy Update for the first quarter of 2022 is available. Highlights in this edition include: (1) Canada's Department of Finance draft legislative proposals, (2) Chile's recently enacted tax reform, (3) amendments to the Mexican Administrative Tax Regulations, (4) several tax measures enacted by Peru's President, and (5) US legislative developments, including the Biden Administration's budget proposal.

[EY Canada issues latest edition of TaxMatters@EY](#)

TaxMatters@EY, a monthly bulletin prepared by EY Canada, provides a summary of recent Canadian tax news, publications, and resources. Highlights of the April 2022 issue include: (i) the Tax treatment of class action settlement payments to registered plans, and (ii) a recent Tax Court of Canada decision that finds a termination payment is not earned income under the Income Tax Act.

This week's tax treaty news in the Americas

- ▶ Brazil and Netherlands: competent authority agreement signed
- ▶ Canada and Albania: social security agreement entered into force
- ▶ United States and Kazakhstan: FATCA Model 1A agreement entered into force
- ▶ Uruguay and Russia: social security agreement approved

Upcoming webcasts

[BEPS 2.0: Perspectives, practicalities and preparedness \(12 April\)](#)

As countries deliberate and start to decide on how to implement the GloBE rules, what will this reality look like in practice and how (and when) should businesses prepare? Join a special 90-minute webcast, where a multi-jurisdictional panel of EY professionals will discuss the implications of the latest developments and share perspectives on how businesses and administrations around the world are responding.

[Leverage data and AI to enable Finance and Tax to pioneer transformation throughout the organization \(28 April\)](#)

In this webcast, explore with EY and Microsoft how data and AI enable the transformation of the Finance and Tax functions to accelerate meaningful change and improve business outcomes.

For a full list of upcoming webcasts, please access EY's webcast page on [ey.com](#) [here](#).



Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 8 April 2022](#)

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

- ▶ Prospects for post-Build Back Better Act reconciliation bill uncertain
- ▶ Senate bill would deny US FTCs for Russian taxes paid
- ▶ OECD announces public consultation on draft model rules on scope of Amount A in BEPS 2.0 Pillar One

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

This week's EY Global Tax Alerts

Americas Global Tax Alerts

- ▶ [Report on recent US international tax developments – 8 April 2022](#)
- ▶ [Canada | Ontario increases nonresident speculation tax rate and extends application provincewide](#)
- ▶ [Canada expands sanctions on Russia, announces prohibitions on exports of goods and technology](#)
- ▶ [Colombia modifies regulations on ultimate beneficial owners](#)
- ▶ [Peru's President amends rules for determining the fair market value of Peruvian shares in direct transfers](#)
- ▶ [Peru's President amends silent partnership rules](#)

Other Cross-border Alerts

- ▶ [French Tax Authority releases new guidelines impacting trust reporting requirements](#)
- ▶ [Cypriot Tax Department publishes MDR FAQs](#)
- ▶ [Luxembourg Tax Authority issues guidance on interest limitation rules covering LIBOR phase-out and interaction with participation exemption](#)
- ▶ [EU Finance Ministers continue negotiations to adopt Pillar Two Directive in light of Poland's remaining objection](#)
- ▶ [UK Parliamentary committee calls for development of UK Carbon Border policy](#)
- ▶ [Italy publishes draft IVASS Regulation regarding online comparison system between insurance undertakings operating in Italy in the motor liability insurance sector](#)
- ▶ [Japan enacts 2022 tax reform bill](#)

OECD Alerts

- ▶ [OECD releases fourth annual peer review report on BEPS Action 6 relating to prevention of treaty abuse](#)

Transfer Pricing Alerts

- ▶ [US IRS issues annual APA report for 2021](#)



Human Capital Alerts

- ▶ [Costa Rica lifts all COVID-19-related entry requirements](#)
- ▶ [Brazil removes pre-travel COVID-19 test requirement for vaccinated travelers](#)
- ▶ [Singapore's 2022 Budget Statement announces increase in top marginal personal income tax rates and updates to foreign workforce policies](#)
- ▶ [Indian Fiscal Budget 2022 | Key tax proposals for individuals](#)
- ▶ [Swedish Parliament to vote on new work permit legislation on 20 April 2022](#)

Indirect Tax Alerts

- ▶ [Brazil modifies additional freight for merchant marine renewal rate](#)

EY Industry and Tax Services publications

Services

People and workforce

- ▶ [Updated: How COVID-19 is disrupting immigration policies and worker mobility: a tracker](#)

Issues

Risk

- ▶ [The Board Imperative: Champion CROs to boost risk governance and growth](#)

Comments

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