

Americas Tax Roundup

Latest news – Americas

[Canada's releases hybrid mismatch arrangement rules](#)

Canada's federal government released [draft legislative proposals](#) and accompanying explanatory notes on 29 April, to address certain hybrid mismatch arrangements. As per the explanatory notes, these rules are intended to implement the recommendations in, and be generally consistent with, the Final Report under Action 2 of the OECD/G20's Base Erosion and Profit Shifting Project (the [BEPS Action 2 Report](#)). The hybrid mismatch rules will apply to payments arising on or after 1 July 2022, with no grandfathering for existing arrangements.

[OECD releases public consultation document on Regulated Financial Services Exclusion under Amount A for Pillar One](#)

The OECD on 6 May 2022 released a [public consultation document](#) regarding the Regulated Financial Services Exclusion under Amount A for Pillar One of the OECD/G20 BEPS 2.0 project.

[Puerto Rico's Municipal Revenue Collections Center extends due date for filing personal property tax return for tax year 2021 to 23 May 2022](#)

In Administrative Order 2022-002, the Puerto Rico Municipal Revenue Collections Center (CRIM) extended the due date for filing the personal property income tax return for tax year 2021 from 16 May 2022 to 23 May 2022. However, CRIM's representatives clarified that taxpayers that do not have a 2021 tax liability, or satisfied their 2021 tax liability through estimated tax payments and credits from prior years, will not be required to file an extension on or before 23 May to obtain the extended filing due date of 16 August 2022.

[Puerto Rico enacts sales and use tax holiday for hurricane season purchases](#)

On 6 May 2022, Puerto Rico enacted *Act 20-2022*, establishing a sales and use tax (SUT) holiday for hurricane season purchases. Some of the items that will be exempt from SUT during the SUT holiday are water tanks and containers, shutters, hardware, untreated wood panels, water and nonperishable food.

[US | Changes to QI withholding agreement rules expand QI withholding and reporting responsibilities](#)

The US Internal Revenue Service (IRS) published changes ([Notice 2022-23](#)) to the qualified intermediary (QI) withholding agreement rules that will allow a QI to assume withholding and reporting responsibilities for purposes of Internal Revenue Code Sections 1446(a) and (f). Generally, these changes would apply to a QI that sells an interest in a publicly traded partnership (PTP) or receives a distribution from a PTP on behalf of a QI account holder.

This week's tax treaty news in the Americas

- ▶ Antigua and Barbuda and United Arab Emirates: income and capital tax treaty details available
- ▶ MERCOSUR and Singapore: fifth round of negotiations for free trade agreement held
- ▶ Peru and United Kingdom: fourth round of negotiations for tax treaty to be held



Upcoming webcasts

[BorderCrossings . . . US state and local tax transfer pricing update \(25 May\)](#)

This month's BorderCrossings webcast examines transfer pricing (TP) topics in US state and local tax. The panel will discuss issues arising from transactions and global economic developments impacting domestic TP. Panelists will also review the latest state tax administrative approaches to resolving TP disputes, such as state advanced pricing agreement initiatives, as well as recent case law and legislative proposals – highlighting controversy considerations for multicorporate businesses.

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

Recently archived webcasts

[How MNEs can adapt to TP developments in financial transactions and related controversy](#)

This webcast addressed the ongoing developments in the Americas and Europe in financial transaction transfer pricing, the associated controversy environment and how multinational enterprises can practically respond.

[BEPS webcast: What companies should know about the latest BEPS 2.0 dynamics](#)

In this webcast, panelists provided an update on the latest OECD/G20 project developments and addressed key practical questions related to BEPS 2.0 Pillar One and Pillar Two that are important in preparing for the “new normal” in this evolving global legislative landscape.

Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 13 May 2022](#)

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

- ▶ Little action on budget reconciliation as US Congress focuses on 'China competitiveness' legislation
- ▶ Treasury official reveals government working on “Killer B” cross-border triangular reorg regs, Section 367(d) rules involving transferred IP repatriated to US

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 – 13 May 2022](#)
- ▶ [Puerto Rico enacts sales and use tax holiday for hurricane season purchases](#)
- ▶ [US | Changes to QI withholding agreement rules expand QI withholding and reporting responsibilities](#)
- ▶ [PE Watch: Latest developments and trends, May 2022](#)
- ▶ [Canada releases proposed hybrid mismatch arrangement rules](#)
- ▶ [Puerto Rico's Municipal Revenue Collections Center extends due date for filing personal property tax return for tax year 2021 to 23 May 2022](#)



Other Global Tax Alerts

- ▶ [European Commission proposes Directive to tackle debt-equity bias in taxation](#)

OECD Alerts

- ▶ [OECD releases public consultation document on Regulated Financial Services Exclusion under Amount A for Pillar One](#)

Indirect Tax Alerts

- ▶ [Germany's Ministry for the Environment circulates proposal on implementation of Extended Producer Responsibility regime for single-use plastic items](#)
- ▶ [UK delays import checks on EU products](#)

EY Industry and Tax Services publications

Industries

Financial Services

- ▶ [How will you reframe the future of advice if today's client is changing?](#)

Health and Life Sciences

- ▶ [How the life sciences industry can navigate the impact of COVID-19](#)
- ▶ [The CEO Imperative: How the health care industry is growing via M&A](#)

Technology, Media & Entertainment, and Telecommunications

- ▶ [Why TMT companies face a higher risk of losing their best and brightest](#)
- ▶ [Seven ways telecom operators can power the metaverse](#)
- ▶ [What's possible for the gaming industry in the next dimension?](#)

Technology

- ▶ [The CEO Imperative: How will the shifting world order affect your global strategy?](#)

Private Equity

- ▶ [How we celebrate the world's most visionary entrepreneurs](#)

Services

Technology/People and workforce

- ▶ [Has technology bridged the physical divide?](#)
- ▶ [Updated: How COVID-19 is disrupting immigration policies and worker mobility: a tracker](#)

Tax

- ▶ [How single family offices are balancing tradition and transformation](#)

Comments

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