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23 May 2022

Americas Tax Roundup

Latest news – Americas

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[Canada proposes temporary expansion of immediate expensing incentive](#)

On 28 April 2022, [Bill C-19, Budget Implementation Act, 2022, No. 1](#) received first reading in the Canadian House of Commons. Bill C-19 implements the measures contained in the detailed Notice of Ways and Means Motion that was tabled on 26 April 2022 and contains certain tax measures announced in the 2022 federal budget and the 2021 federal budget, including the temporary expansion of immediate expensing of certain property that is acquired by a Canadian-controlled private corporation or certain individuals and partnerships for eligible capital cost allowance classes.

[Canada: Status of proposed federal investment tax credit for carbon capture, utilization and storage discussed](#)

Canada's 2022 budget proposed an updated version of the investment tax credit for businesses that incur eligible expenditures related to carbon capture, utilization and storage, which was initially proposed in the 2021 budget. The credit would be refundable and available to businesses that incur eligible expenses starting 1 January 2022. Draft legislation has not yet been released.

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

The OECD Secretariat 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. The consultation document defines Regulated Financial Services that includes seven types of Regulated Financial Institutions and covers Schedule [G] of the Model Rules, which will govern the Regulated Financial Services Exclusion.

[Argentina announces new temporary residence permits for digital nomads](#)

The Argentine Government announced the creation of a new transitory residence permit for digital nomads. Digital Nomad permits will be issued starting on 21 May 2022.

[EY's 'Latest on BEPS and Beyond' for May 2022](#)

EY's Latest on BEPS and Beyond monthly newsletter reviews global and regional BEPS-related policy trends, as well as recent BEPS-driven developments in individual countries. The May 2022 edition highlights Canada's proposed draft legislation on hybrid mismatch arrangements.

[EY's 2020-21 Worldwide Transfer Pricing Reference Guide now available](#)

The [EY Worldwide Transfer Pricing Reference Guide 2020 – 2021](#) is a publication designed to help international tax executives quickly identify transfer pricing rules, practices and approaches. The information included in the guide covers 131 jurisdictions and provides an overview for the covered jurisdictions on their transfer pricing tax laws, regulations and rulings, as well as the OECD Guidelines treatment. The guide is updated as of October 2021.



This week's tax treaty news in the Americas

- ▶ Brazil and Austria: social security agreement and administrative arrangement signed
- ▶ Brazil and Czech Republic: social security agreement approved by Czech Senate

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.

[The indirect tax technology journey: Now. Next. Beyond. \(9 June\)](#)

During this webcast, the final one in this series, our EY team of tax technology professionals will share insights into how market-leading organizations are using technology to adapt to new legislation and market trends, and to effectively transform tax operations. This webcast will focus on leading practices for global indirect tax technology selection and implementation.

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, 20 May 2022](#)

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

- ▶ US House leaders hope to pass "China competitiveness" bill before 4 July recess
- ▶ Senate introduces bill to disallow foreign tax credits (FTCs) for taxes paid to Russia or Belarus
- ▶ Treasury, IRS considering changes to FTC regulations
- ▶ IRS proposed Section 1256 regulations on FX contracts set for release in coming weeks, Section 987 rules to follow
- ▶ IRS issues GLAM on allocation and apportionment of deferred compensation expense for FDII deductions, reverses prior guidance
- ▶ Treasury, OECD officials offer BEPS 2.0 insights

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 – 20 May 2022](#)
- ▶ [Canada | Status of proposed federal investment tax credit for carbon capture, utilization and storage](#)
- ▶ [Canada proposes temporary expansion of immediate expensing incentive](#)

Other Global Tax Alerts

- ▶ [Turkey publishes Communiqué on inflation adjustment for revaluation purposes](#)
- ▶ [Turkey publishes Communiqué regarding one-point corporation tax rate reduction on certain income generated from manufacturing and exportation](#)
- ▶ [Hong Kong Court rules booked trading profits are not necessarily subject to profits tax](#)
- ▶ [European Parliament approves five elements of “Fit for 55” climate package, including a more ambitious EU Carbon Border Adjustment Mechanism](#)

Human Capital Alerts

- ▶ [Argentina announces new temporary residence permits for digital nomads](#)
- ▶ [Australia | Federal election 2022 and immigration policy](#)

Indirect Tax Alerts

- ▶ [Switzerland eliminates import customs duties on industrial goods as of 1 January 2024](#)

EY Industry and Tax Services publications

Industries

Automotive

- ▶ [Why consumers are charging toward electric vehicles](#)

Government & Public Sector

- ▶ [Podcast: How trust and a collaborative leadership culture can meet the most testing of challenges](#)

Technology, Media & Entertainment, and Telecommunications

- ▶ [How music companies can evolve the fan experience](#)

Services

People and workforce

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

Tax

- ▶ [Debunking 5 myths about remote work and digital nomads](#)

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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