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7 August 2023

# Americas Tax Roundup

## Latest news – Americas

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### [Argentine Tax Authority establishes a new corporate income tax prepayment](#)

On 21 July 2023, the Argentine Tax Authority (AFIP) published General Resolution No. 5391/2023 (the Resolution) establishing a one-time corporate income tax prepayment for companies that have obtained extraordinary income derived from the general context.

### [Argentina to open new consulate in China Mainland](#)

The Argentine government recently announced that it will open a new consulate in the city of Chengdu in China Mainland. The new consulate will have jurisdiction over the Sichuan, Guizhou, Shaanxi, Yunnan and Chongqing regions. Argentina's Ministry of Foreign Affairs is expected to release more details in the upcoming months, including contact information of the new consulate.

### [Peruvian Tax Authority interprets Non-Discrimination Clause of Multinational Agreement to avoid Double Taxation as not applicable to transfer of Peruvian shares in international reorganizations](#)

In Ruling 89-2023, published on 11 July 2023, the Peruvian Tax Authority determined that the Non-Discrimination clause of Decision 578 of the Andean Community does not apply to the transfer of Peruvian shares in international reorganizations.

### [Peru enacts regulations on preferential depreciation rates for buildings, construction and hybrid and electric vehicles](#)

Supreme Decree 156-2023-EF, published on 21 July 2023, establishes regulations for the application of Law No. 31652, which incorporated the option for taxpayers to apply accelerated depreciation for buildings, construction and hybrid and electric vehicles, from 1 January 2023.

### [Brazil publishes Provisional Measure to regulate taxation of fixed-odds sports betting](#)

On 25 July 2023, the Brazilian Government published Provisional Measure (PM) 1,182/2023 (dated 24 July 2023) (PM 1,182), which has the effect of regulating the commercialization of fixed-odds sports betting in Brazil. The impact of this regulation will be significant for the Brazilian market, which is currently attended by foreign operators.

### [Canada publishes trade compliance verification list update, July 2023](#)

On 6 July 2023, the Canada Border Services Agency (CBSA) published its semi-annual update of trade compliance verification (audit) priorities. The CBSA continues to focus on tariff classification as a priority audit area, introducing two new product categories and one upcoming product category to the list of tariff classification priorities. In addition, the CBSA published information regarding its use of compliance intervention tools to target various circumstances and risks of noncompliance.



### [Aruba Fiscal Plan 2023 – Part II Tax changes](#)

On 5 July 2023, the Parliament of Aruba approved tax legislation, titled "Fiscal Plan 2023 – Part II," which extends the changes implemented via the State Ordinance Fiscal Plan 2023. The main change in the Fiscal Plan 2023 – Part II introduces a tax on the import of goods, the so-called "BBO on import" or "BBO at the border," which will take effect as of 1 August 2023. Other changes will have retroactive effect to 1 January 2023.

### [El Salvador's Congress receives bills to amend International Services Law and the Law for Industrial and Commercial Free Zones](#)

On 26 July 2023, bills to reform to the Law for Industrial and Commercial Free Zones and the International Services Law were submitted for analysis and discussion in the Economy Commission of El Salvador's Congress and could add activities that can benefit from tax incentives and to reduce current qualification restrictions.

### [USCIS announces completion of second random selection from previously submitted FY 2024 H-1B cap registrations](#)

On 31 July 2023, U.S. Citizenship and Immigration Services (USCIS) announced that it completed a second random H-1B selection from previously submitted electronic registrations for Fiscal Year (FY) 2024. All prospective petitioners with selected registrations from the second random selection will have had their myUSCIS accounts updated to include the new selection notice(s).

### [US DHS updates Form I-9, Employment Eligibility Verification](#)

The US Department of Homeland Security (DHS) and US Immigration and Customs Enforcement (ICE) have announced an optional procedure as an alternative to the in-person physical examination of documentation required to complete the Form I-9, Employment Eligibility Verification (Form I-9). The optional procedure may be used by qualifying US employers beginning 1 August 2023. In connection with this procedure, US Citizenship and Immigration Service (USCIS) has introduced a new version of Form I-9 with a version date of "(Rev. 08/01/23)" that will also come into effect 1 August 2023.

### [EY TradeWatch | Issue 2, 2023 edition now available](#)

In this edition, we continue the focus on trade trends, specifically disruption, technology, sustainability, trade facilitation, controversy and customs reform. Trade disruption continues, becoming effectively the "new normal." This is explored in depth in our latest report, "*Refocusing on the global trade functional organization – a global trade perspective*," which is based on in-depth conversations and benchmarking studies with trade leaders in global companies.

### [Washington Dispatch for July 2023](#)

The latest edition of EY's Washington Dispatch is available. Prepared by Ernst & Young's International Tax and Transaction Services group, this monthly newsletter summarizes recent developments in US international taxation.

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## Upcoming webcasts

### [Tax in a time of transition: US legislative, economic, regulatory and IRS developments \(18 August\)](#)

Please join us for a fast-paced overview of recent US tax and economic developments designed to help you stay on top of changes in today's shifting economic, legislative and regulatory environment. In this regularly occurring webcast series, panelists will provide updates on: (i) the US economy and tax policy; (ii) what's happening at the IRS; and (iii) breaking developments.



### [Tax and Finance Operate: Now. Next. Beyond. \(23 August\)](#)

During this webcast, EY Global Compliance and Reporting practitioners will explore the current tax and finance operations landscape and share insights and results from a recently released EY survey. They will be joined by senior tax executives from Mondelez International, Inc. and UPS, who will share how their companies successfully revolutionized their tax and finance function and established a new tax operating model. They'll also share practical approaches for industry professionals navigating global tax and finance operations.

### [BorderCrossings ... With EY transfer pricing and tax professionals \(31 August\)](#)

This webcast, the second in a two-part [series](#), examines the difficulty in applying transfer pricing rules to attribute profits to permanent establishments considering both US and international tax treaties. Under US tax treaties, Article 7 governs profit attribution to permanent establishments and references the arm's-length principle under Article 9. In response to a lack of clear and consistent interpretation of profit attribution under international tax treaties, the OECD developed the Authorized OECD Approach (AOA).

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## This week's tax treaty news in the Americas

- ▶ United States and Eswatini: Ongoing negotiations for exchange of information agreement between Eswatini and United States
- ▶ United States and Malta: Published by US Internal Revenue Service, Malta and United States sign Competent Authority Arrangement under tax treaty regarding interpretation of NAFTA and USMCA
- ▶ United States and Mexico: Published by US Internal Revenue Service, Mexico and United States sign Competent Authority Arrangement under tax treaty regarding interpretation of NAFTA and USMCA
- ▶ United States and Denmark: Published by US Internal Revenue Service, Denmark and United States sign Competent Authority Arrangement under tax treaty regarding interpretation of NAFTA and USMCA
- ▶ United States and Luxembourg: Published by US Internal Revenue Service, Luxembourg and United States sign Competent Authority Arrangement under tax treaty regarding interpretation of NAFTA and USMCA

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## Recently issued EY podcasts

### [US Cross-Border Taxation weekly podcast, 4 August 2023](#)

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

- ▶ Congress begins August recess, House Ways and Means tax bill fails to reach floor
- ▶ Senate Finance Committee announces it will mark-up US-Taiwan tax legislation in September
- ▶ IRS issues proposed consolidated return regulations
- ▶ OECD will address BEPS 2.0 Pillar Two arbitrage tax planning

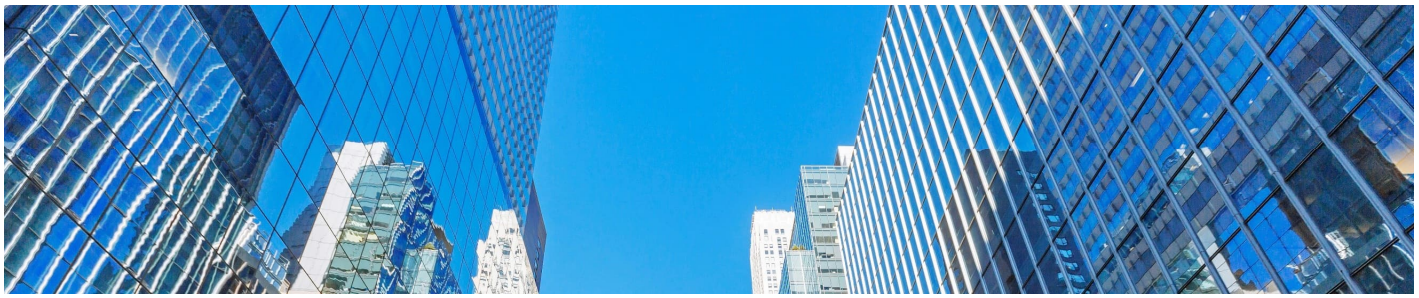
You can register for this weekly podcast on Apple Podcasts [here](#).

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### [Monthly ITTS Washington Dispatch \(July 2023\)](#)

EY's monthly Washington Dispatch podcast summarizes recent developments in US international taxation. The Newsletter PDF is also available [here](#). You can register for this monthly podcast on iTunes [here](#).





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## This week's EY Global Tax Alerts

### Americas Global Tax Alerts

- ▶ [Report on recent US international tax developments – 4 August 2023](#)
- ▶ [Argentine Tax Authority establishes a new corporate income tax prepayment](#)
- ▶ [Aruba Fiscal Plan 2023 – Part II Tax changes](#)
- ▶ [Peruvian Tax Authority interprets Non-Discrimination Clause of Multinational Agreement to avoid Double Taxation as not applicable to transfer of Peruvian shares in international reorganizations](#)
- ▶ [Peru enacts regulations on preferential depreciation rates for buildings, construction and hybrid and electric vehicles](#)

### Other Global Tax Alerts

- ▶ [France postpones electronic invoicing initially scheduled for 1 July 2024](#)
- ▶ [Ireland launches second Feedback Statement on EU Minimum Tax Directive and proposed legislative approach](#)
- ▶ [Korea announces 2023 tax reform proposals](#)
- ▶ [Nigeria | Highlights of the 2023 Guidelines on Mutual Agreement Procedure](#)
- ▶ [Saudi Arabia announces seventh wave of Phase 2 e-invoicing integration](#)
- ▶ [Saudi Arabia further extends tax amnesty initiative until 31 December 2023](#)
- ▶ [South Africa's 2023 draft Tax proposals](#)
- ▶ [South Africa proposes an Advance Pricing Agreement \(APA\) program](#)

### Human Capital Alerts

- ▶ [Argentina to open new consulate in China Mainland](#)
- ▶ [El Salvador's Congress receives bills to amend International Services Law and the Law for Industrial and Commercial Free Zones](#)
- ▶ [Finnish embassy in Moscow to remain closed in August 2023](#)
- ▶ [Hungary approves new work and residence permit for “guest workers”](#)
- ▶ [Singapore launches new, enhanced assessment tool for Employment Pass and S Pass sponsors](#)
- ▶ [USCIS announces completion of second random selection from previously submitted FY 2024 H-1B cap registrations](#)
- ▶ [US DHS updates Form I-9, Employment Eligibility Verification](#)
- ▶ [Vietnam to increase the authorized period of stay for e-visa holders and certain visa-exempt nationals](#)

### Indirect Tax Alerts

- ▶ [China Mainland resumes visa-free travel for nationals of Brunei and Singapore](#)
- ▶ [Canada publishes trade compliance verification list update, July 2023](#)
- ▶ [El Salvador's Congress receives bills to amend International Services Law and the Law for Industrial and Commercial Free Zones](#)



## EY Industry and Tax Services publications

### Services

#### Tax

- ▶ [How to navigate tax and legal complexity associated with DAOs](#)

### Comments

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If you have any questions or suggestions about this newsletter, please email Global Tax News Update Help at:

[globaltaxnewsupdatehelp@ey.com](mailto:globaltaxnewsupdatehelp@ey.com).

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