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6 September 2021

Americas Tax Roundup

Latest news – Americas

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[Brazilian House of Deputies approves bill modifying corporate income tax system as part of comprehensive tax reform](#)

On 1 September 2021, Brazil's House of Deputies approved (398 - 77 votes) Bill 2,337, which would reduce the corporate income tax rate and establish a 15% withholding tax on dividends as part of a comprehensive reform to the Brazilian tax system. The bill still has to be approved by the Senate and the President. If the bill is approved before the end of October 2021, it would be effective 1 January 2022. Taxpayers should evaluate whether they need to act before year end in light of the expected changes.

[US: Discussion draft released by Senators Wyden, Brown, Warner proposes significant changes to current international tax rules](#)

On 25 August 2021, US Senate Finance Committee Chairman Ron Wyden, along with Senators Sherrod Brown and Mark Warner, issued a [discussion draft](#) of legislative text (Discussion Draft) detailing their previously released [April 2021 international tax framework](#), which would amend the current rules on global intangible low-taxed income (GILTI), foreign-derived intangible income (FDII), the Base Erosion and Anti-Abuse Tax (BEAT), and other rules. The proposals will be considered as the committee deliberates on the coming FY 22 budget reconciliation bill.

[US IRS articulates five-factor test in determining income inclusion of reimbursement payments](#)

In a Chief Counsel Advice Memorandum ([CCA 202132009](#)), the US Internal Revenue Service (IRS) concluded that an affiliated group's joint and several liability for the payment of a branded prescription drug fee is not solely determinative in deciding whether the remitting member may exclude any reimbursement of the fee from its gross income. The IRS provided several factors that should be considered in determining whether the remitting member benefits from the payment of the fee and, therefore, may not exclude the reimbursement from its gross income.

This week's tax treaty news in the Americas

- ▶ Curaçao and Malta: air services agreement entered into force
- ▶ MERCOSUR and Korea (Rep.): seventh round of negotiations for a free trade agreement held



Upcoming webcasts

[International tax talk quarterly series with the EY Global Tax Desk Network \(14 September\)](#)

During this webcast, part of an ongoing series, a panel of experienced EY professionals will provide you with information on major tax law changes in the countries and jurisdictions covered by our US-based Global Tax Desk Network.

[LatAm Quarterly Tax Update \(15 September\)](#)

The last quarter has brought significant tax developments to Latin America. In this webcast, EY's EMEA Latin American Business Centre will discuss and analyze the changes and consider their effects on European companies and investors in Latin America.

[What you need to know for Q3 2021 financial reporting \(22 September\)](#)

Are you up-to-date with current accounting and regulatory developments? In this webcast, panelists discuss current financial reporting matters and standard-setting activities.

Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 2 September 2021](#)

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

- ▶ US House Ways and Means Committee to begin markup the week of 6 September re: Budget Resolution
- ▶ IRS articulates five-factor test in determining income inclusion of reimbursement payments
- ▶ US, France sign joint statement on spontaneous exchange of CbC reports for FYs beginning 2020 and 2021

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

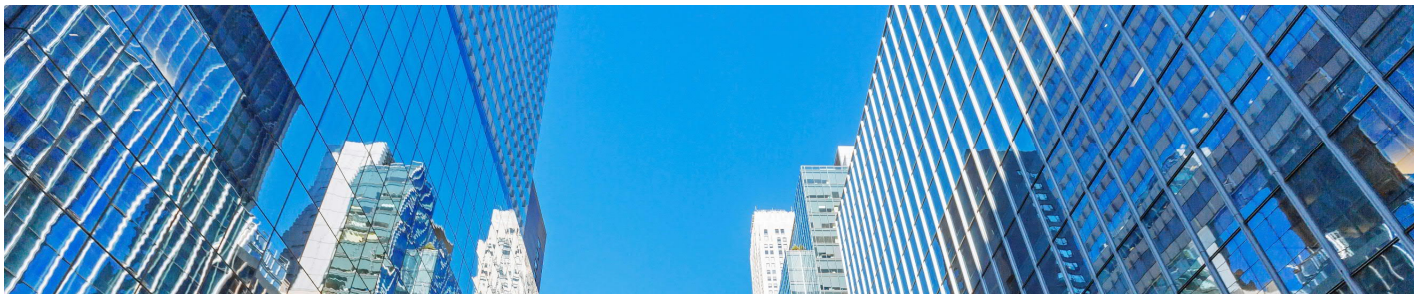
[Monthly ITTS Washington Dispatch \(August 2021\)](#)

EY's monthly Washington Dispatch podcast summarizes recent developments in US international taxation. Highlights of this month's edition include:

- ▶ US infrastructure legislation, FY 2022 budget resolution move forward
- ▶ Senate Finance Committee Chairman, members release international tax discussion draft
- ▶ Finance Committee Chairman introduces bill to amend tax treatment of financial derivative transactions
- ▶ Senate-passed infrastructure bill would impose information-reporting requirements on sales of cryptocurrency, other digital assets
- ▶ IRS extends to 1 January 2023 date for W/H on certain transfers, distributions related to PTP interests
- ▶ IRS financial services campaign will not target specific transactions
- ▶ OECD releases 2021 peer review update of preferential tax regimes
- ▶ OECD releases corporate tax statistics publication, including anonymized/aggregated CbC report stats

The Newsletter PDF is available [here](#).

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



This week's EY Global Tax Alerts

Americas Tax Alerts

- ▶ [Report on recent US international tax developments - 2 September 2021](#)
- ▶ [Brazilian House of Deputies approves bill modifying the corporate income tax system as part of comprehensive tax reform](#)
- ▶ [US IRS articulates five-factor test in determining income inclusion of reimbursement payments](#)
- ▶ [US: Discussion draft released by Senators Wyden, Brown, Warner proposes significant changes to current international tax rules](#)

Other Global Tax Alerts

- ▶ [Nigerian Government signs Petroleum Industry Bill 2020 into Law](#)
- ▶ [Australian Treasury releases revised draft law on Corporate Collective Investment Vehicle regime](#)

Transfer Pricing Alerts

- ▶ [Mainland China simplifies application procedures for unilateral advance pricing arrangements](#)

Indirect Tax Alerts

- ▶ [Thailand: VAT to remain at 7% for an additional two years](#)

EY Industry and Tax Services publications

Industries

Automotive

- ▶ [Are drivers waiting on a sustainable future that is already here?](#)
- ▶ [Why better supply chain performance begins with end-to-end visibility](#)

Energy & Resources

- ▶ [Why questions about financial trade-offs dominated Q2 earnings calls](#)

Government & Public Sector

- ▶ [Six ways COVID-19 is affecting foreign investment](#)

Insurance

- ▶ [Growth through differentiation: Four principles for mutual insurers](#)

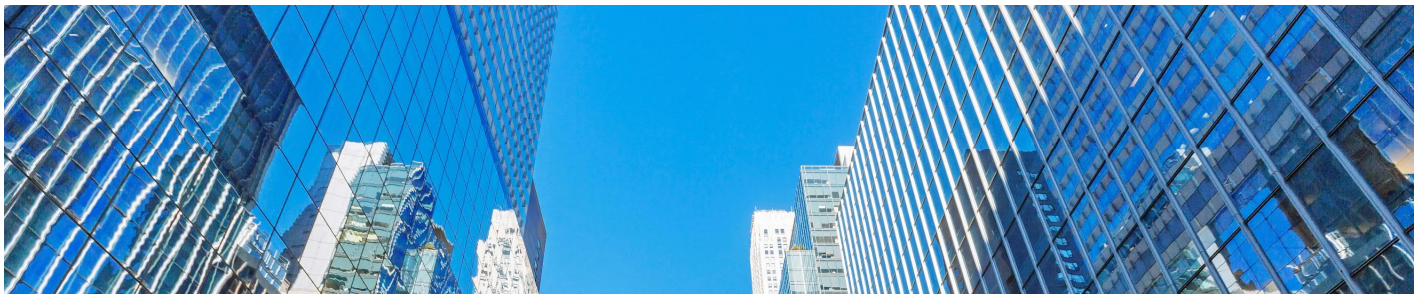
Oil & Gas

- ▶ [Why questions about financial trade-offs dominated Q2 earnings calls](#)

Issues

Risk

- ▶ [How can you create long-term value with a short-term focus?](#)



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