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14 December 2020

Americas Tax Roundup

Latest news – Americas

[COVID-19 relief measures continue throughout Americas](#)

Jurisdictions throughout the region continue to announce new and expanded measures to respond to the COVID-19 pandemic.

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[Mexico postpones legislative action on outsourcing bill to 2021](#)

Mexico's president has announced an agreement between the Mexican government and the business and labor sectors to postpone until February 2021 further discussion and legislative action on the outsourcing bill proposed on 12 November 2020. The proposed outsourcing bill would prohibit individuals and entities from outsourcing services. Even though legislative action on the bill has been postponed, companies should still evaluate how their operations may be affected by the bill, if enacted.

[Canada reintroduces stock option proposals](#)

Canada's Fall Economic Statement reintroduces changes to the taxation of employee stock options first introduced in the 2019 federal budget. The changes introduce a CA\$200,000 annual limit on employee stock options that may qualify for preferential tax treatment. This limit will not apply to stock options granted by Canadian-controlled private corporations (CCPCs) or non-CCPCs with annual gross revenue of \$500 million or less. The changes are prospective and will apply to stock options granted after 1 July 2021.

[Canada Revenue Agency releases preview of revised form for reporting relating to foreign affiliates](#)

The Canada Revenue Agency (CRA) has released a preview of the revised Form T1134, *Information Return Relating to Controlled and Non-Controlled Foreign Affiliates*. The revised form will be officially released in January 2021 and apply to tax years that begin after 2020. No legislative changes to the provision that establishes reporting requirements regarding foreign affiliates have been proposed to accompany the changes.

[EY Canada releases latest issue 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 December 2020 issue include: (1) year-end remuneration considerations for private company owners, and (2) a recent Tax Court of Canada decision that found a taxpayer to be a resident of Canada even though he had significant ties to another country during the same taxation year.



Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 11 December 2020](#)

EY's weekly US Cross-border Taxation podcast reviews the week's US international tax-related developments. Highlights this week include: IRS APMA Program seeing more COVID-19-related queries regarding APAs; OECD to release COVID-focused TP guidance by end of 2020, beginning 2021; OECD's FTA announces piloted International Compliance Assurance Program to become full-fledged program in 2021.

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

[Monthly ITTS Washington Dispatch \(November 2020\)](#)

EY's monthly Washington Dispatch podcast summarizes recent developments in US international taxation. Highlights of this month's edition include: Major policy changes expected following US November election; Treasury and IRS finalize regulations to reduce double taxation caused by anti-abuse rules on GILTI gap period; IRS officials provide international regulatory update; US, Mexico renew competent authority agreement on unilateral APAs for maquiladoras; IRS updates list of jurisdictions for automatic exchange of CbC reports; OECD to hold virtual public consultation on BEPS 2.0 Pillar 1 and Pillar 2 in mid-January 2021; among other topics.

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

This week's EY Global Tax Alerts

COVID-19 | Key Alerts and other resources from EY's Global Tax

Global Tax Alerts were issued this week with updated COVID-19 news, covering the following jurisdictions: Kenya and other jurisdictions. Access the Alerts and other COVID-19 related materials [here](#).

Additional Global Tax Alerts

- ▶ [Report on recent US international tax developments – 11 December 2020](#)
- ▶ [Mexico postpones legislative action on outsourcing bill to 2021](#)
- ▶ [Canada reintroduces stock option proposals](#)
- ▶ [Canada Revenue Agency releases preview of revised T1134 form](#)
- ▶ [Peruvian tax authorities establish guidelines for the capital gains tax exemption applicable to transfers of shares through the Lima Stock Exchange](#)
- ▶ [Peru repeals agribusiness preferential tax regime](#)
- ▶ [PE Watch: Latest developments and trends, December 2020](#)
- ▶ [Myanmar Tax Authority issues guidance on withholding tax reporting obligations](#)
- ▶ [Kenya proposes amendments to Income Tax and VAT Acts](#)
- ▶ [Kenya's High Court rules that retrospective application of a tax law is not unconstitutional but must be practical and reasonable](#)
- ▶ [Polish Ministry of Finance announces planned deferral to 30 June 2021 of certain provisions of new withholding tax reform](#)
- ▶ [EU Finance Ministers consider tax priorities and expansion of DAC obligations](#)
- ▶ [Indonesia enacts Job Creation Law](#)
- ▶ [Indonesia updates tax holiday incentive and provides guidance for 300% R&D super deduction](#)
- ▶ [Kenyan Government issues public notice on expected resumption of pre-COVID tax rates](#)



Transfer Pricing Alerts

- ▶ [Australian Taxation Office releases final guidance on outbound interest-free loans between related parties](#)

Indirect Alerts

- ▶ [Ugandan Tax Appeals Court rules VAT is not due on supply of services by a branch to its head office](#)
- ▶ [Saudi Arabia introduces e-invoicing](#)

EY Industry and Tax Services publications

Industries

Automotive

- ▶ [Podcast: How automotive dealers and manufacturers shift from physical to digital](#)

Financial Services

- ▶ [Will financial services build ecosystems, or just be a participant?](#)

Government & Public Sector

- ▶ [How governments can repair public finances](#)
- ▶ [How global recession can turn into sustainable growth](#)
- ▶ [How innovation can build resilience in public services](#)
- ▶ [How governments can capitalize on the imperative to innovate](#)

Health & Life Sciences

- ▶ [How collaboration will strengthen the future of cell and gene therapies](#)

Technology, Media & Entertainment, and Telecommunications

- ▶ [Video: How TMT companies are preparing for reinvention](#)

Services

Tax

- ▶ [Why multinationals need a tax controversy function fit for the future](#)

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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