



**Building a better
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15 February 2021

Americas Tax Roundup

Latest news – Americas

[Argentina and US agree to exchange country-by-country reports on large multinationals](#)

The US IRS and the Argentine tax authorities have signed a competent authority agreement on BEPS Action 13. Once the agreement enters into force, Argentine entities will not have to file country-by-country reports if their ultimate parent entities in the United States filed the reports. Those Argentine entities will have to comply, however, with the requirements in General Resolution 4,130/2017.

[Costa Rica's Ministry of Treasury submits to Congress a bill establishing dual and global income tax rules](#)

Costa Rica's Ministry of Treasury submitted a proposed bill that would establish the dual and global income tax rules as part of the commitments Costa Rica made during its loan negotiations with the International Monetary Fund (IMF). This bill modifies the first bill proposed for establishing the dual and global income tax because the first bill contained provisions that were against agreements made during negotiation.

[US Treasury to consider reviving expired transfer pricing aggregation regulations](#)

According to the tax press, the US Treasury may soon open a project to revive transfer pricing aggregation regulations under Code Section 482 that were issued in temporary form in 2015 but expired in 2018 without being finalized. When the 2015 temporary regulations expired in September 2018, taxpayers were left with a statutory aggregation rule under Section 482 without further guidance for intangible property transfers occurring after 14 September 2018. If the Treasury does revive the 2015 temporary regulations, it is unknown how the new regulations will be issued.

[Uruguay enacts budget law for 2020-2024](#)

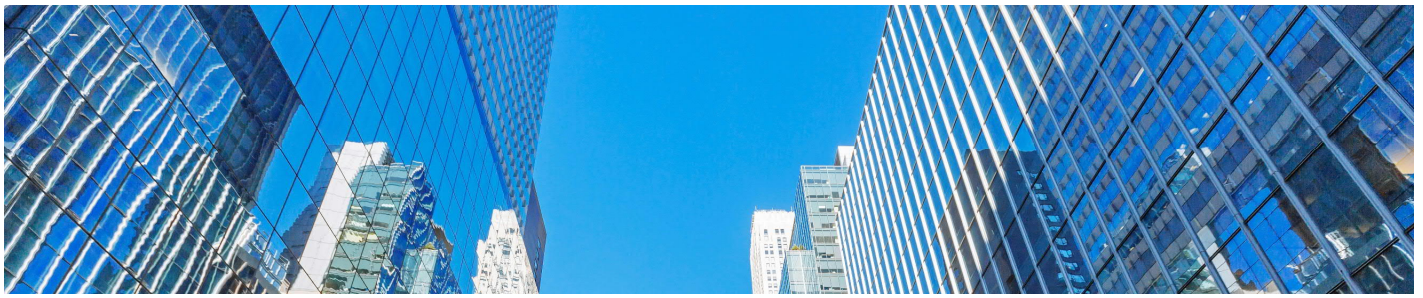
Uruguay enacted Law No. 19.924 (Budget Law) on 18 December 2020, approving Uruguay's budget for 2020-2024. The Budget Law modified Uruguay's tax legislation and generally went into effect 1 January 2021. The modifications made by the law increase deductions and allow nonresident service providers in the free-trade zone to provide services to consumers in the national territory.

[Uruguay's Executive Power regulates certain aspects of the investments law](#)

Uruguay's Executive Power regulated (Decree No. 284/020) certain aspects of the Uruguayan investments law on the tax benefits granted to investment projects, including the corporate income tax (CIT) exemption. The decree establishes how the corporate income tax exemption is calculated and that taxpayers receiving CIT exemptions for investment projects may not receive any other CIT benefits.

[Uruguay modifies when goodwill is not considered in corporate restructurings](#)

In Decree No. 21/021, Uruguay's Executive Power modifies the requirements taxpayers must meet to not consider goodwill in mergers or spin-offs that are part of a corporate restructuring. The decree went into effect 22 January 2021.



[Uruguay modifies the 'tax holiday' regime](#)

In the last few months of 2020, Uruguay modified the "tax holiday" regime, which provides a temporary income tax exemption to new tax residents for income from foreign investments. The modifications allow taxpayers to choose to be exempt from income tax on the income from foreign investments for 10 years, instead of 5 years. The modifications also allow more taxpayers to qualify for the 10-year exemption period.

[Uruguay's Executive Power suspends withholding tax obligations for temporary leases of real estate for tourism purposes](#)

Through Decree No. 293/020, Uruguay's Executive Power suspended personal income tax withholding and nonresident income tax withholding on temporary leases of real estate for tourism purposes until 30 April 2021.

[Uruguayan tax authorities update list of low- or no-taxation countries and jurisdictions](#)

The Uruguayan tax authorities updated (Resolution No. 2440/2020) the list of low-or no-taxation countries, which applies for income taxes (corporate, personal and nonresident), net wealth tax, and the transfer pricing regime.

[Canada: Northwest Territories issues budget 2020-21](#)

Northwest Territories Finance Minister Caroline Wawzonek tabled the territory's fiscal 2021-22 budget. The budget contains no new taxes and no income tax increases.

This week's tax treaty news in the Americas

- ▶ Dominican Republic and Colombia: negotiations for signing an investment protection agreement authorized by Dominican Republic
- ▶ Dominican Republic and Mexico: negotiations for signing an investment protection agreement authorized by Dominican Republic
- ▶ Dominican Republic and Qatar: negotiations for signing an investment protection agreement authorized by Dominican Republic
- ▶ Dominican Republic and United Arab Emirates: negotiations for signing an investment protection agreement authorized by Dominican Republic
- ▶ United States and Kosovo: investment protection agreement ratified by Kosovo

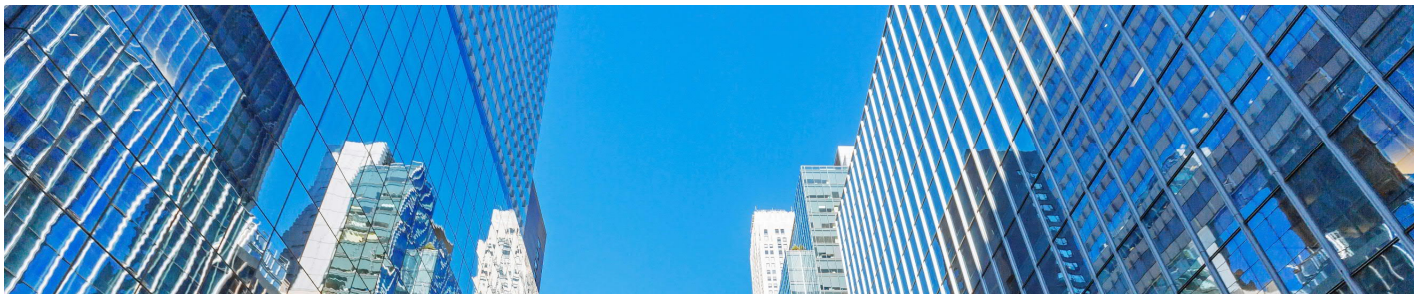
Upcoming webcasts

[From liability to asset: tax automation and data integrity for family offices and business owners \(18 February\)](#)

Panelists will share insights and best practices on the value of technology within the tax function. From global reporting to data integrity, our leaders will share real-life examples and industry-leading options for ensuring your tax function is maximizing its capabilities – manually and digitally.

[The outlook for global tax policy and controversy in 2021 \(25 February\)](#)

Join a panel of EY tax policy and controversy leaders as they discuss the findings reported in the upcoming EY 2021 Tax Policy & Controversy Outlook, focusing on the most significant tax law and administration trends and highlighting leading practices for companies as they navigate tax developments around the world in the year ahead.



Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 12 February 2021](#)

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

- ▶ US House tax-writing committee approves package representing half of \$1.9 trillion COVID relief plan, including international tax provision
- ▶ Treasury may open project to revive transfer pricing aggregation regulations

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

This week's EY Global Tax Alerts

Global Tax Alerts

- ▶ [Report on recent US international tax developments – 12 February 2021](#)
- ▶ [Uruguay's Executive Power suspends withholding tax obligations for temporary leases of real estate for tourism purposes](#)
- ▶ [PE Watch: Latest developments and trends, February 2021](#)
- ▶ [Uruguay enacts budget law for 2020-2024](#)
- ▶ [Uruguay modifies "tax holiday" regime](#)
- ▶ [Uruguay modifies when goodwill is not considered in corporate restructurings](#)
- ▶ [Uruguay's Executive Power regulates certain aspects of the investments law](#)
- ▶ [Uruguayan tax authorities update list of low- or no-taxation countries and jurisdictions](#)
- ▶ [PE Watch: 2020 in review](#)
- ▶ [Argentina and US agree to exchange Country-by-Country reports on large multinationals](#)
- ▶ [Costa Rica's Ministry of Treasury submits to Congress a bill establishing dual and global income tax rules](#)
- ▶ [Canada: Northwest Territories issues budget 2020-21](#)
- ▶ [Hong Kong introduces tax concessions for carried interest](#)
- ▶ [India releases 2021-22 Union Budget](#)
- ▶ [German Ministry of Finance finalizes guidance on German extraterritorial taxation of intellectual property](#)
- ▶ [Romanian Tax Authority publishes DAC6 guidance regarding national legislation on Mandatory Disclosure Rules](#)
- ▶ [Luxembourg formalizes extension of certain filing deadlines](#)
- ▶ [Africa Union launches Africa Continental Free Trade Area: Status of trading among African countries](#)
- ▶ [Denmark proposes defensive measures against countries on EU's list of non-cooperative jurisdictions for tax purposes](#)



Transfer Pricing Alerts

- ▶ US Treasury to consider reviving expired transfer pricing aggregation regulations
- ▶ Taiwan amends Transfer Pricing Regulations

Human Capital Alerts

- ▶ New special measures to support Hong Kong residents to settle and remain in Canada discussed
- ▶ Future social security coordination between the UK/EU, EEA and EFTA countries discussed
- ▶ Singapore MOM refines features of intra-corporate transferee for purposes of job-advertisement exemption
- ▶ Summary of immigration actions the Biden administration has taken as of February 8 provided
- ▶ US DHS delays effective date of H-1B selection final rule to December 31, 2021

Indirect Tax Alerts

- ▶ Poland implements retail sales tax effective from 1 January 2021
- ▶ India's Finance Bill 2021 clarifies scope of e-commerce Equalization Levy
- ▶ Poland publishes new draft law on e-invoices
- ▶ Poland announces consultation period for regulations on premium to be imposed on advertising activity

EY Industry and Tax Services publications

Industries

Automotive

- ▶ Podcast: What an autonomous racecar could mean for the future of mobility

Financial Services

- ▶ How the right conversations can empower finance transformation strategies

Services

Tax

- ▶ How the transfer of IP post-acquisition can incur tax risks
- ▶ How COVID-19 could be a game changer for entity compliance and governance
- ▶ How digital tax reporting is forcing a rethink of sourcing strategies

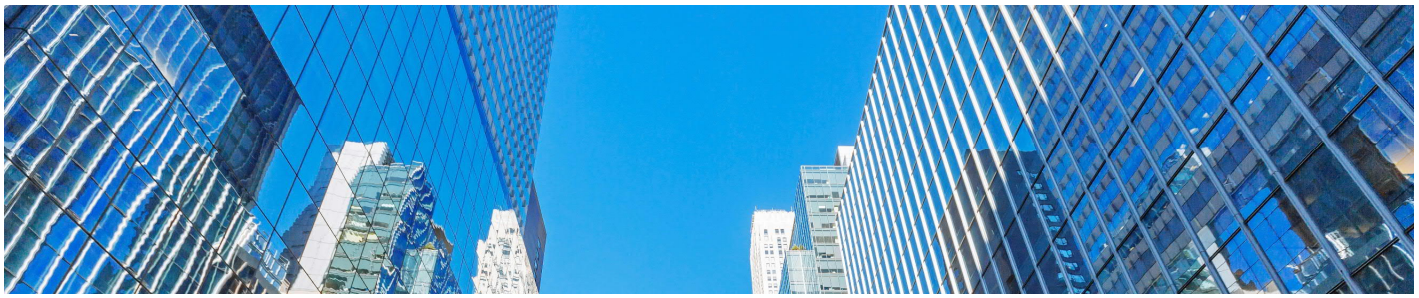
Issues

Managing risk

- ▶ How to minimize risk through data disposition

Comments

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