



Building a better
working world

20 September 2021

Americas Tax Roundup

Latest news – Americas

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[Major US tax proposals clear House tax-writing committee](#)

The US tax-writing House Ways and Means Committee on 13 September released over \$2 trillion in net tax increase proposals to partially fund the \$3.5 trillion Build Back budget reconciliation bill. The far-reaching tax proposals, which include an increase in the US corporate tax rate to 26.5% and major international tax changes, were approved by committee on 15 September.

[Colombia enacts 2021 tax reform](#)

On 14 September 2021, Colombia enacted Law 2155 (the Social Investment Act), which includes the 2021 tax reform, as well as rules to increase social expenditures, reduce public expenditures and adjust the 2021 budget. The law increases the corporate income tax rate, as well as establishes a new normalization tax, anti-avoidance and procedural rules, and payroll and labor benefits.

[Mexico's 2022 economic proposal focuses on eliminating loopholes](#)

Mexico's Economic Proposal for 2022 (the Proposal), which includes the Revenue Law, Government spending budget and a tax reform package, focuses on increasing tax collection by eliminating loopholes in legislation where there are perceived abuses by taxpayers. The Proposal also would grant the Mexican tax authorities additional collection tools and powers in the audit process to effectively challenge the substance of transactions by requiring business purpose. It also would allow the tax authorities to look to preceding or subsequent transactions. The Proposal does not include any new taxes or rate increases.

[Argentina: Authorized travelers may now enter the country via the province of Mendoza](#)

The Argentine Government recently reopened two ports of entry located in the province of Mendoza, which have been closed to international inbound travel since March 2020. Entry via Mendoza is restricted to Argentine citizens and residents, and other travelers who receive advance approval from the Argentine immigration authorities.

This week's tax treaty news in the Americas

- ▶ Argentina and Israel: social security agreement ratified by Argentina
- ▶ Brazil and Japan: agreement on mutual administrative assistance in customs matters entered into force
- ▶ Chile and Andorra: negotiations for an income and capital tax treaty underway
- ▶ Colombia and Spain: investment protection agreement signed



Upcoming webcasts

[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 archived webcasts

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

This month's BorderCrossings webcast discussed the "realistic alternatives" principle in transfer pricing. Our panelists explored the principle's evolution from various sources through its codification in the Tax Cuts and Jobs Act and incorporation into US tax treaties. They also examined how recent practices reflect conflicting interpretations of this principle and why the role of realistic alternatives in transfer pricing cases is not as straightforward as it might first appear.

Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 17 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 clears major tax bill to partially fund Build Back Better Act; includes major changes to US international tax rules
- ▶ IRS seeing \$1 billion MAP cases, LB&I official says

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

This week's EY Global Tax Alerts

Americas Tax Alerts

- ▶ [Report on recent US international tax developments - 17 September 2021](#)
- ▶ [Colombia enacts 2021 tax reform](#)
- ▶ [Mexico's 2022 economic proposal focuses on eliminating loopholes](#)
- ▶ [US: Tax plan in House Ways & Means reconciliation bill offers new details on international tax proposals](#)
- ▶ [Argentina: Authorized travelers may now enter the country via the province of Mendoza](#)

Other Global Tax Alerts

- ▶ [Malaysia issues Pre-Budget 2022 Statement](#)
- ▶ [Indian Tax Tribunal rules on re-domiciliation and its impact on treaty entitlement](#)
- ▶ [Poland: Major tax reform proposal moves to Parliament](#)



Human Capital Alerts

- ▶ China: New, stricter requirements for Official Invitation (PU) letters sponsored by companies based in Shanghai
- ▶ Nigeria: Indian citizens and India-outbound travelers may now enter Nigeria
- ▶ China implements new, stricter immigration policies for travelers from the United States, the United Kingdom, Spain, France and Malaysia
- ▶ The UK publishes the roadmap for reforming its immigration sponsorship program
- ▶ Angola announces relaxed quarantine and COVID-19 testing requirements for fully vaccinated travelers, new exit rules for Angolan citizens and residents
- ▶ New passport requirement discussed for EU, EEA and Swiss nationals traveling to the UK as of October 1

Indirect Tax Alerts

- ▶ New Zealand proposes changes to Goods and Services Tax
- ▶ New Zealand proposes changes to GST invoicing requirements

EY Industry and Tax Services publications

Industries

Financial Services/ Consumer Products & Retail

- ▶ [How can insurance protect the customers who need it most?](#)

Energy & Resources

- ▶ [Podcast: Renewables in Southeast Asia: What perspectives could emerge beyond COP26](#)

Health & Life Sciences

- ▶ [How mRNA medicines might change the drug landscape](#)

Telecommunications

- ▶ [Why an asset-right strategy is telcos' path to value in a volatile world](#)

Services

Tax

- ▶ [How the world's largest family businesses are proving their resilience](#)

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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