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21 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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[Chilean tax authorities release regulations for foreign pass-through investment vehicles](#)

The Chilean tax authorities have issued regulations for foreign investors that use pass-through investment vehicles located in countries that have double tax treaties (DTTs) in force with Chile. Under the regulations, foreign investors that use pass-through investment vehicles may not completely credit the payment of corporate income tax against the dividend withholding tax, unless the investors may claim residence for purposes of applying a DTT.

[Argentina provides further specifications on the definition of 'final beneficiaries' and extends the obligation to report](#)

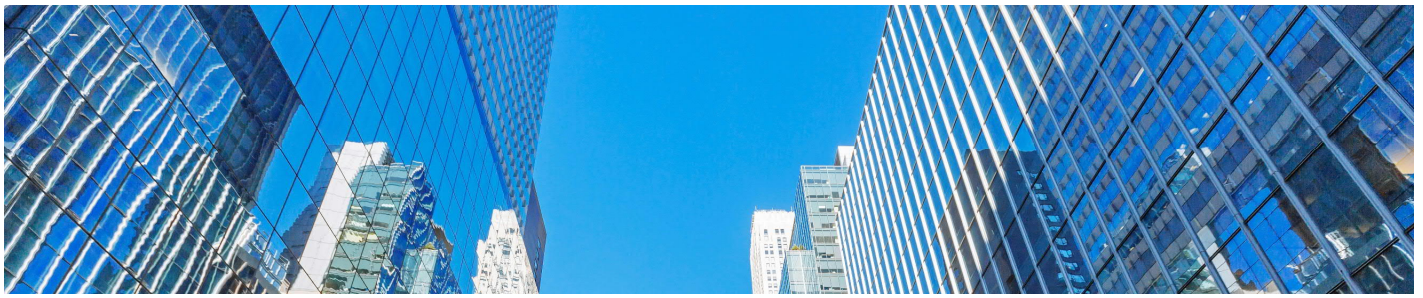
The Argentine tax authorities have published new General Resolutions regarding the requirement established earlier this year for certain entities to report the "final beneficiary" of each of their shareholders (or equivalents) as of 31 December of each year. The new General Resolutions clarify who is considered a "final beneficiary" when a reporting entity's capital is listed on public stock markets and extend the "final beneficiary" reporting requirement to trusts.

[Peru's tax authorities establish 29 January 2021 as due date for secondary filing of 2017, 2018, and 2019 CbC reports](#)

Peru's tax authorities have established that, in certain cases, the due date for the secondary filing of country-by-country (CbC) reports for 2017, 2018, and 2019 is 29 January 2021. Taxpayers should review the applicability of the new due date for the secondary filing of the CbC report to determine if they must file the report by the 29 January 2021 due date.

[Peruvian tax authorities establish guidelines for capital gains tax exemption applicable to transfers of shares through the Lima Stock Exchange](#)

Peru's tax authorities have issued guidance clarifying how to calculate whether more than 10% of a company's shares have been transferred to determine if the capital gains tax exemption applies to the capital gains derived from transfers of shares on the Lima Stock Exchange. With the new guidance, taxpayers and their related parties may transfer the same shares twice within 12 months and the second transfer of those shares will not be considered in determining whether more than 10% of a company's shares have been transferred.



[Peru repeals agribusiness preferential tax regime](#)

Peru has enacted a law repealing special rules to promote agribusiness. As a result, agribusiness entities will be subject to a higher corporate income tax rate and a lower depreciation rate beginning 1 January 2021.

[US final and proposed PFIC regulations provide a mix of favorable and unfavorable provisions, with significant implications for insurance companies](#)

In final and proposed regulations, the US Internal Revenue Service has provided guidance on the passive foreign investment company (PFIC) rules. The final PFIC regulations are largely consistent with the proposed PFIC regulations released in July 2019, but they do contain several significant changes. Both the final PFIC regulations and the new proposed regulations materially change the rules for when a foreign insurance company will be treated as a PFIC.

[Canada: Employer obligation to remit GST/HST/QST by 31 January 2021 on deemed supplies made to pension entities and master pension entities](#)

Participating employers with a monthly Goods and Services Tax/Harmonized Sales Tax/Quebec Sales Tax (GST/HST/QST) filing frequency must remit the GST/HST/QST liability on the deemed supplies made to certain pension entities and master pension entities by 31 January 2021. As such, it is important that employers obtain the relevant information required to report the tax in a timely manner. The respective pension entities will be ineligible to claim rebates to the extent that such amounts are not remitted on time.

[EY's 'Latest on BEPS and Beyond' for December 2020](#)

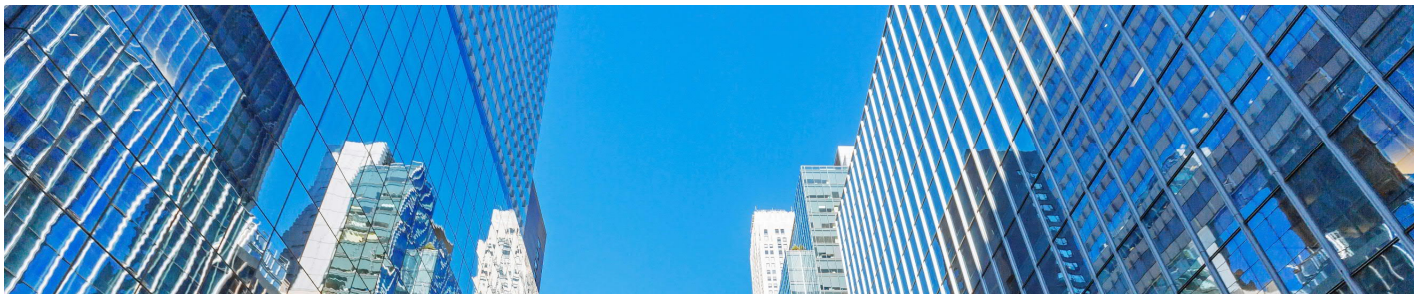
EY's *Latest on BEPS and Beyond* monthly newsletter reviews global and regional BEPS-related policy trends, as well as recent BEPS-driven developments in individual countries. Americas highlights of the December 2020 edition include: (1) Chile's depositing of its instrument of ratification of the MLI with the OECD, and (2) the Mexican Tax Administration's new regulations on the mandatory disclosure rules established as part of the 2020 tax reform.

Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 18 December 2020](#)

EY's weekly US Cross-border Taxation podcast reviews the week's US international tax-related developments. Highlights this week include: Treasury sends final Section 163(j) interest expense limitation regulations to OMB for review; Treasury notes progress on new tax treaty with Croatia, resumption of US Senate approvals of bilateral tax treaties expected; IRS will continue to prioritize transfer pricing enforcement in examinations, even if adjustment negated by TCJA provisions; Treasury's FINCEN further extends FBAR filing deadline; OECD BEPS 2.0 Pillar 1 and Pillar 2 comment period ends, BIAC calls for limited BEPS agreement by June 2021; OECD publishes jurisdiction-specific information on implementation of hard-to-value intangibles approach.

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



This week's EY Global Tax Alerts

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

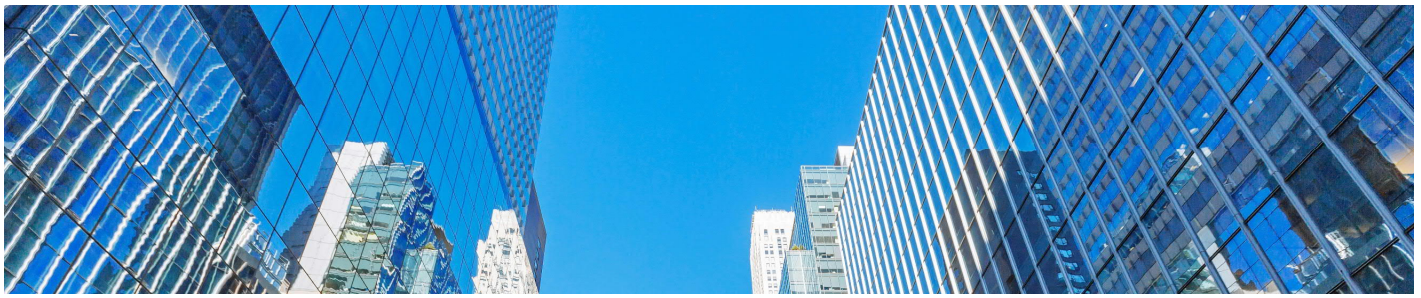
Global Tax Alerts were issued this week with updated COVID-19 news, covering the following jurisdictions: France and other jurisdictions. Access the Alerts and other COVID-19 related materials [here](#).

Additional Global Tax Alerts

- ▶ [Report on recent US international tax developments – 18 December 2020](#)
- ▶ [Chilean tax authorities released regulations for foreign pass-through investment vehicles](#)
- ▶ [Argentina provides further specifications on definition of “final beneficiaries” and extends obligation to report](#)
- ▶ [US: FinCEN further extends certain signature authority reporting \(FBAR, Form 114\) over foreign financial accounts](#)
- ▶ [Peru's tax authorities establish 29 January 2021 as due date for secondary filing of 2017, 2018 and 2019 CbC reports](#)
- ▶ [US final and proposed PFIC regulations provide a mix of favorable and unfavorable provisions](#)
- ▶ [US final and proposed regulations on passive foreign investment companies have both favorable and unfavorable implications for insurance companies](#)
- ▶ [Canada Revenue Agency releases preview of revised T1134 form](#)
- ▶ [French Tax Authorities publish specifications for reporting of cross-border arrangements under DAC6 and MDR](#)
- ▶ [French Parliament approves Finance Bill for 2021](#)
- ▶ [French Administrative Supreme Court expands its definition of a dependent agent constitutive of a permanent establishment](#)
- ▶ [German Ministry of Finance issues new Administrative Principles regarding examination of income allocation between internationally associated enterprises](#)
- ▶ [Australia: Major reform of foreign investment regime to take effect from 1 January 2021](#)
- ▶ [Japan releases 2021 tax reform outline](#)
- ▶ [Luxembourg: Year-end tax considerations for 2020 and the start of 2021](#)
- ▶ [Portugal's 2021 State Budget Law: Key tax measures impact real estate sector](#)
- ▶ [Tanzania Revenue Authority upgrades electronic financial data management system](#)
- ▶ [EY Global Tax Controversy Flash Newsletter \(Issue 29\) | What's next for tax policy and controversy in Asia-Pacific?](#)

Transfer Pricing Alerts

- ▶ [Peru's tax authorities establish 29 January 2021 as due date for secondary filing of 2017, 2018 and 2019 CbC reports](#)



OECD Alerts

- ▶ OECD's FTA hosts virtual meeting of tax administration leaders
- ▶ OECD releases fourth peer review report on BEPS Action 5 on the Exchange of Information of Tax Rulings
- ▶ The Latest on BEPS and Beyond | December 2020 edition
- ▶ OECD publishes Revenue Statistics in Africa 2020

Indirect Alerts

- ▶ Canada: Employer obligation to remit GST/HST/QST by 31 January 2021 on deemed supplies made to pension entities and master pension entities

Human Capital Alerts

- ▶ BREXIT | Germany proposes adding UK nationals to special scheme

EY Industry and Tax Services publications

Industries

Automotive

- ▶ How mobility companies are preparing to emerge stronger post-pandemic
- ▶ How data is bringing transparency to the car customization process
- ▶ Is data the next port of call?

Technology, Media & Entertainment, and Telecommunications

- ▶ Why tech companies needed to update their strategy roadmaps in Q3 2020

Services

Tax

- ▶ Why tax was – and will remain – at the epicenter of COVID-19 recovery

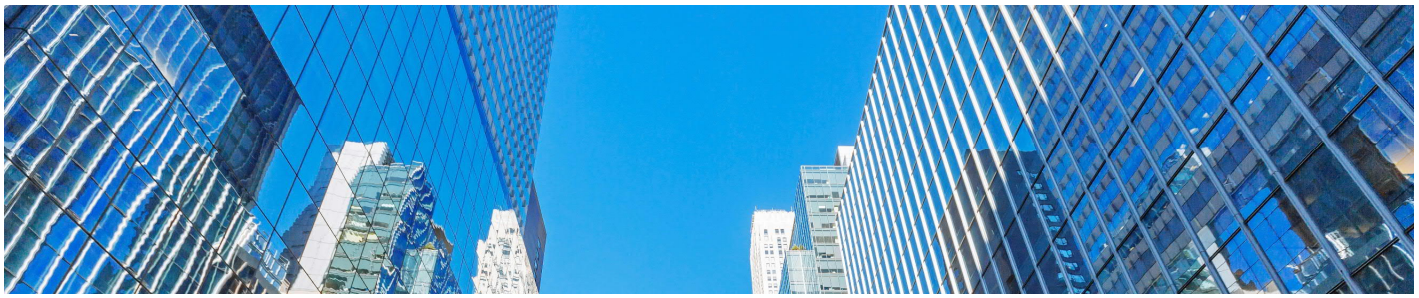
Issues

Risk

- ▶ How to minimize risk through data disposition

Comments

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EY | Building a better working world

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