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22 March 2021

Americas Tax Roundup

Latest news – Americas

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[Puerto Rico's Treasury Department extends the time for pass-through entities to file their returns to 15 April](#)

The Puerto Rico Treasury Department (PRTD) extended the due date from 15 March 2021 to 15 April 2021 for pass-through entities that are partnerships, special partnerships or corporations of individuals to file their calendar tax year 2020 income tax returns. The 15 April extended due date is only available to pass-through entities with tax years ended 31 December 2020.

[Argentine Government plans to send bill to Congress that would raise corporate income tax rates](#)

The Argentine Executive Power circulated a bill that it plans to send to Congress that would increase corporate income tax rates for tax years beginning 1 January 2021 and onwards. The proposed bill would increase tax rates by replacing the current fixed tax rate with a progressive tax scale that would range from 25% to 35%, depending on the amount of accumulated net taxable income.

[Ecuador's Tax Administration issues regulations on voluntary estimated income tax payments](#)

Ecuador's Tax Administration issued regulations that allow taxpayers to make voluntary estimated income tax payments. Unlike taxpayers that are required to make estimated tax payments, taxpayers making voluntary payments will be entitled to interest on those payments from the date the payment was made to the income tax payment due date.

[Ecuador's President issues regulations for the payment of income tax by microenterprises](#)

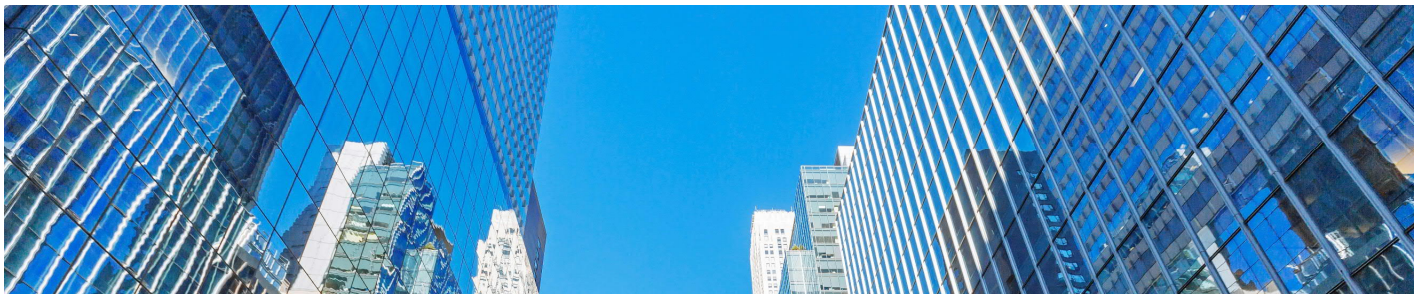
Ecuador's President issued a decree establishing temporary regulations for the payment of income tax by microenterprises. Microenterprises with no profits in tax year 2020 have until November 2021 to file an income tax return, showing that they had no profits.

[Dominican Republic issues draft amendments to transfer pricing regulations](#)

The Dominican Republic's Tax Administration (DGII) issued draft amendments to Articles 5, 7, 10 and 18 of the transfer pricing regulations established by Decree No. 78-14 of March 14, 2014 (draft amendments to the regulations). The draft amendments would require taxpayers to file the country-by-country report, master file and local file.

[Uruguayan tax authorities rule taxpayer must remain in "tax holiday" regime](#)

The Uruguayan tax authorities ruled (Consultation No. 6369) that a taxpayer who elected to participate in the "tax holiday" regime must remain in the regime because the taxpayer could not show that there was a fact or law error when the election was made. Consultation No. 6369 is binding on the taxpayer who requested it, but other taxpayers in similar situations may follow the guidance provided in the consultation.



[Uruguayan tax authorities rule on which investments in real estate property are valid for foreign individual to obtain tax residency](#)

The Uruguayan tax authorities addressed (Consultation No. 6338) which real estate investments made by a foreign individual are valid for establishing tax residency in Uruguay. The tax authorities determined a foreign individual may establish tax residency in Uruguay by investing in real estate through a promise of sale. A foreign individual may be able to establish tax residency by investing through an entity, provided certain requirements are met.

[Canada: New Brunswick budget 2021-22 discussed](#)

New Brunswick Minister of Finance and Treasury Board Ernie Steeves tabled the province's fiscal 2021-22 budget on 16 March 2021. The budget contains no significant tax measures affecting individuals and corporations. The minister anticipates a deficit of \$244.8 million for 2021-22 and projects deficits for each of the next two years.

[Canada: Prince Edward Island issues budget 2021-22](#)

On 12 March 2021, Prince Edward Island Finance Minister Darlene Compton tabled the province's fiscal 2021-22 budget. The budget contains tax measures affecting individuals and corporations.

[EY's 'Latest on BEPS and Beyond' for March 2021](#)

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 March 2021 edition include the Dominican Republic's draft amendments to its transfer pricing regulations.

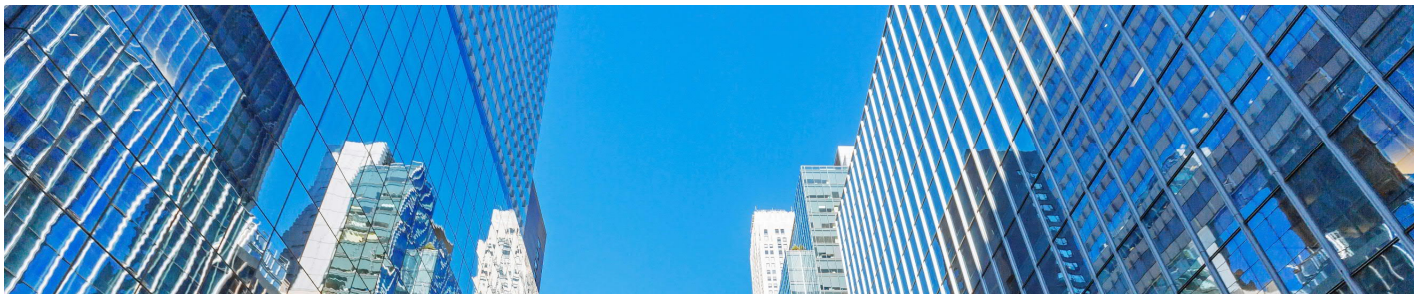
This week's tax treaty news in the Americas

- ▶ [Chile and Poland: statement on applicability of Multilateral Convention to income and capital tax treaty published by Poland](#)

Upcoming webcasts

[BorderCrossings ... With EY transfer pricing and tax professionals \(25 March\)](#)

The change in the Israeli tax landscape relating to the Israeli Tax Authority (ITA)'s approach to TP is causing multinational entities to evaluate their TP positions and prepare for potential tax controversy in Israel. Israel continues to position itself in the tech industry as an innovation and research and development (R&D) hub. This webcast will feature an update on TP controversy in Israel from Ernst & Young LLP (US) and Ernst & Young (Israel) Ltd TP and International Tax professionals.



Recently issued EY podcasts

[US Cross-Border Taxation weekly podcast, 19 March 2021](#)

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

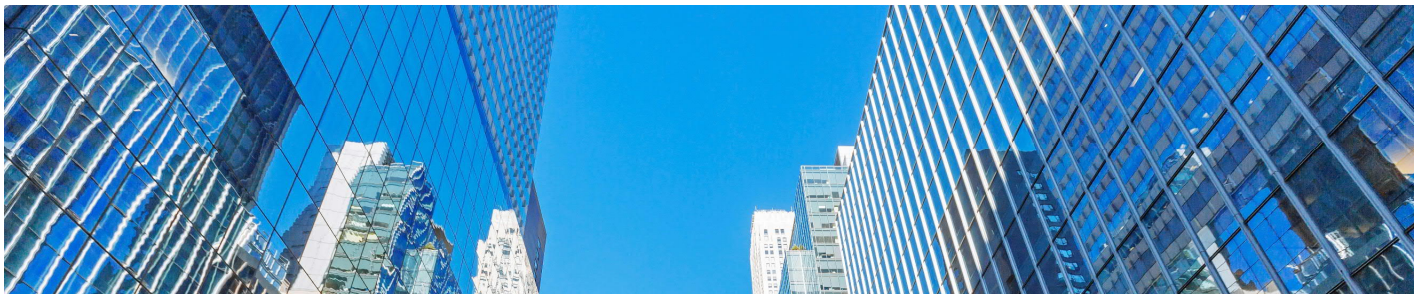
- ▶ Biden Administration begins to float tax proposals
- ▶ Senate Finance Committee holds hearings on various aspects of US Tax Code
- ▶ House, Senate Democrats release international tax bills
- ▶ IRS official offers international tax guidance update
- ▶ IRS updates FATCA FAQs

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 – 19 March 2021](#)
- ▶ [Curaçao publishes guidelines on territorial tax system](#)
- ▶ [Colombia: Commission of Experts on Tax Expenditures/Benefits issues recommendations for Colombian tax system](#)
- ▶ [US IRS says assumption of reinsurance agreement does not result in base erosion payments](#)
- ▶ [Argentine Government plans to send bill to Congress that would raise corporate income tax rates](#)
- ▶ [Ecuador's President issues regulations for the payment of income tax by microenterprises](#)
- ▶ [Ecuador's Tax Administration issues regulations on voluntary estimated income tax payments](#)
- ▶ [Uruguayan tax authorities rule on which investments in real estate property are valid for foreign individual to obtain tax residency](#)
- ▶ [Uruguayan tax authorities rule taxpayer must remain in "tax holiday" regime](#)
- ▶ [Canada: Prince Edward Island issues budget 2021-22](#)
- ▶ [Puerto Rico's Treasury Department extends the time for pass-through entities to file their returns to 15 April](#)
- ▶ [Spain implements EU ATAD 2: Detailed analysis](#)
- ▶ [Ghana issues 2021 Budget Statement and Economic Policy: Tax highlights](#)
- ▶ [Cyprus approves legislation to implement Mandatory Disclosure Rules](#)
- ▶ [Australia introduces measures to remove Offshore Banking Unit regime](#)
- ▶ [Liechtenstein's transition period for simplified application of participation exemption ends in 2021 and may require action](#)



OECD Alerts

- ▶ [The Latest on BEPS and Beyond | March 2021 edition](#)
- ▶ [EU Finance Ministers exchange views on digital taxation while the Commission announces it may introduce a digital levy separate from OECD's Pillar One](#)

Transfer Pricing Alerts

- ▶ [Bahrain introduces Country-by-Country Reporting](#)
- ▶ [Dominican Republic issues draft amendments to transfer pricing regulations](#)

Human Capital Alerts

- ▶ [Canada temporarily expands post-graduation work permit program](#)
- ▶ [Ontario to introduce an expression of interest system for the Ontario Immigration Nominee Program](#)
- ▶ [USCIS announces possible H-1B reconsiderations due to rescinded memos](#)
- ▶ [Quebec's new pilot immigration programs discussed](#)

Indirect Tax Alerts

- ▶ [Bulgaria may "deactivate" VAT registrations of UK businesses following Brexit](#)

EY Industry and Tax Services publications

Industries

Automotive

- ▶ [How 3DP is moving from hype to game changer](#)
- ▶ [How mobility companies prepare for uncertainty despite renewed demand](#)

Consumer Products & Retail

- ▶ [How to use real-time data to mine better insights](#)

Financial Services

- ▶ [How technology-powered managed services can drive business transformation](#)

Insurance

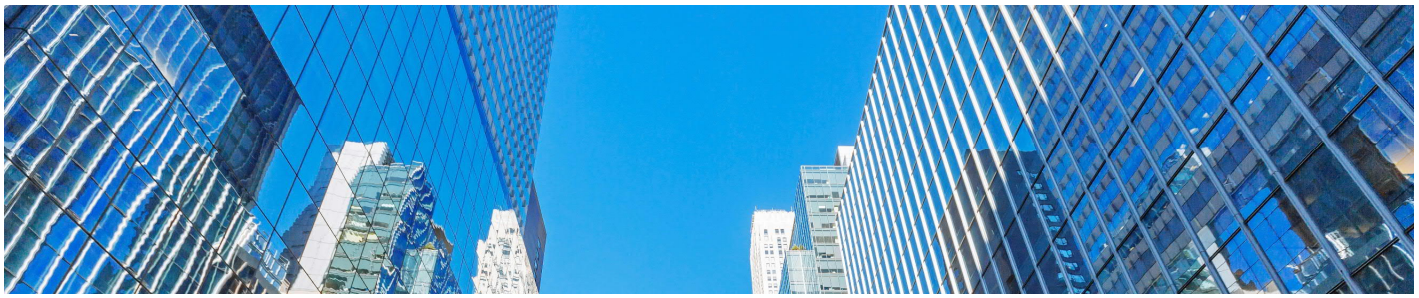
- ▶ [Why insurers must reimagine their finance function for the future](#)

Private Equity

- ▶ [How public policy can fuel entrepreneurs and an inclusive recovery](#)

Technology

- ▶ [Why supply chain became a global strategic issue in Q4 2020](#)
- ▶ [How forward-thinking organizations are becoming data-driven](#)



Comments

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