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21 September 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's President submits 2021 economic proposal to Congress](#)

Mexico's President has submitted to Congress the economic proposal for 2021. The proposal would treat spin-offs as taxable transfers under certain circumstances. It also would expand the value-added tax rules for digital services and make several administrative changes (e.g., fines, electronic invoices, deadlines). Taxpayers and investors should be aware of these proposals and continue to monitor the package's progress through the legislative process.

[Argentina issues regulations on new tax settlement plan](#)

The Argentine Tax Administration (AFIP) has issued a resolution clarifying certain provisions of the new tax debt settlement plan and establishing the procedures for taxpayers to follow to apply for the settlement plan. The tax settlement plan, which was recently approved by the Argentine Congress, allows taxpayers to settle their outstanding debts as of 31 July 2020, including national taxes, social security taxes (certain exceptions apply), and certain customs debts.

[US replaces 10% punitive tariff on Canadian-origin aluminum with quota limits; Canada suspends contemplated countermeasures](#)

On 15 September, the US Trade Representative (USTR) announced that the US would remove previously imposed punitive tariffs on non-alloyed, unwrought aluminum articles of Canadian origin. The 10% ad valorem tariff went into effect on 16 August 2020. The duty-free treatment of the goods is retroactive to 1 September 2020. The USTR indicated it could elect to reimpose the tariffs in certain circumstances. While the Canadian government welcomed the US decision to remove the tariffs and suspended retaliatory action in response, it signaled that it will retaliate if the US reimposes tariffs.

[US final BEAT regulations adopt proposed BEAT guidance with some changes](#)

The US Treasury Department has released final regulations on the base erosion and anti-abuse tax (BEAT). The 2020 final BEAT regulations generally adopt the aggregate group rules, the election to waive deductions, and the partnership rules of the proposed BEAT regulations issued in 2019. The 2020 final BEAT regulations also provide generally taxpayer-favorable refinements to the nonrecognition transaction anti-abuse rule introduced by the final BEAT regulations that were issued in 2019.



[EY's 'Latest on BEPS and Beyond' for September 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. The September 2020 edition discusses the OECD's Tax Policy Reforms 2020 report, which describes the latest tax reforms across all OECD members (excepting Colombia, which became a member after data collection began) and select partner economies (including Argentina). It also highlights Mexico's new rules for individuals selling products or rendering services through digital platforms.

[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 September 2020 issue include: (1) the extension for applying for the Canada Emergency Commercial Rent Assistance (CECRA) program, (2) a recent Federal Court of Appeal decision addressing a corporate director's liability if the corporation fails to remit source deductions, and (3) how COVID-19 reshapes the mental health needs of workers.

Upcoming webcasts

[BorderCrossings: US Foreign-derived intangible income \(FDII\) final regulations \(24 September\)](#)

The US Treasury and IRS recently finalized regulations under Internal Revenue Code Section 250, covering the tax benefits available in the FDII provisions added by the Tax Cuts and Jobs Act (TCJA). Join us as we discuss the FDII deduction and associated issues to consider, with a focus on operating model and transfer pricing interactions.

Recently issued EY podcasts

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

EY's weekly US Cross-border Taxation podcast reviews the week's US international tax-related developments. Highlights this week include: US Congress remains focused on bipartisan negotiations over next coronavirus aid package, extending government funding past 30 September FY-end; Democratic presidential nominee Joe Biden's campaign releases additional tax proposals: IRS Notice 2020-73 announces one year deferral of certain Section 987 final regulations, related rules: G20/OECD Inclusive Framework on BEPS to meet 8-9 October, agreement on Pillar 1 unlikely.

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: Ghana, the Netherlands and the OECD. Access the Alerts and other COVID-19 related materials [here](#).

Additional Global Tax Alerts

- ▶ [Report on recent US international tax developments – 18 September 2020](#)
- ▶ [Turkey extends dividend distribution limitations until 31 December 2020](#)
- ▶ [Poland publishes draft bill amending corporate income tax rules](#)
- ▶ [The Netherlands publishes 2021 budget proposals](#)



Transfer Pricing Alerts

- ▶ [Turkey issues guidance on transfer pricing documentation requirements](#)

Indirect Alerts

- ▶ [Poland implements new VAT reporting requirements](#)
- ▶ [Turkey increases special consumption tax rates on passenger cars](#)
- ▶ [UK issues response on consultation on duty-free and tax-free goods carried by passengers](#)
- ▶ [European Court of Justice rules value of free of charge supplied software should be added to customs value](#)
- ▶ [Ghana revises Communication Service Tax rate](#)
- ▶ [Malaysia updates service tax guide on digital services](#)
- ▶ [UK secures first free trade agreement with Japan post Brexit](#)

Human Capital Alerts

- ▶ [Singapore's Foreign Manpower Policy updates provided](#)
- ▶ [Sweden prepares to tax foreign employees with a Swedish economic employer](#)
- ▶ [No mandatory quarantine requirement for experts visiting Vietnam for less than 14 days](#)

EY Industry and Tax Services publications

Industries

Private Equity

- ▶ [How geopolitical uncertainty and trade tensions plagued 2019 IPO landscape](#)

Technology, Media & Entertainment, and Telecommunications

- ▶ [How collaborating on tax operations powers a focus on strategy and growth](#)

Services

Consulting

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

Assurance

- ▶ [How the IAASB has become more agile during the COVID-19 crisis](#)

People and workforce Assurance

- ▶ [How organizations can evolve outdated ideas of human productivity](#)

Tax

- ▶ [How COVID-19 is accelerating transformation and the five-year plan](#)
- ▶ [How tax can emerge as a trust center in the wake of the pandemic](#)

Issues

Growth

- ▶ [How do companies reframe for growth in this volatile environment?](#)



Comments

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