



INFOTAX – June 2018





MAIN
TAX NEWS



Main tax news.

Along this *InfoTax* we will proceed to review some of the most significant tax news.

Bill	Bill modifying tax rules
	Bill on taxpayers' rights and safeguards
	Bill ratifying the OECD Multilateral Convention related to BEPS
Decree	Decree No. 140/018 (Refund of VAT in gasoil purchases)
	Decree No. 143/018 (Regulation of certain rules contained in the Investments Act)
	Decree No. 144/018 (Tax changes related to services rendered through Internet)
Instructions issued by the Authority in Control of Corporations (AIN)	Resolution and instructions of April 6, 2018 (Penalties for breaching the obligation to identify beneficial owners)
Judgment issued by the Administrative Contentious Tribunal (TCA)	Judgment No. 1067/2017 Acknowledgment of taxpayers' rights within tax audit proceedings

Bills recently issued.

▪ Bill on tax changes in order to incentive investments.

Last April 24 it was issued a Bill intended to improve the business scenario and also support small enterprises and also generate new incentives to investments and production.

In this sense, it is stated an increase of the automatic benefits for investments within the Corporate Income Tax (IRAE), a tax and/or expenses exemption for imports of certain goods, adjustments to the tax exemptions currently applicable to the software industry, among other changes.

See the text of the Bill in the following link: [\[CLICK HERE\]](#).

▪ Bill on taxpayers' rights and safeguards.

Last April 24 it was issued a Bill acknowledging different rights and safeguards to taxpayers.

The most significant aspects that should be highlighted are the modification of the enterprises closing down procedures, the modification to the surcharges' regime in case of delay in payment, repeal of the Tax Authority's prerogative to suspend the Annual Certificate in case of precautionary measures, rules on the content and notification of the Tax Audit Final Minute, among others.

See the text of the Bill in the following link: [\[CLICK HERE\]](#).

▪ **Bill ratifying the OECD Multilateral Convention related to BEPS.**

Last June 4 it was issued a Bill ratifying the OECD Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS, signed by Uruguay on June 7, 2017.

See the text of the Bill in the following link: [\[CLICK HERE\]](#).

Decrees recently approved.

▪ **Decree N° 140/018 (Refund of VAT in gasoil purchases).**

Last May 14 it was issued the Decree which establishes that farmers which work with bovine and ovine cattle and do not pay Corporate Income Tax (IRAE) for such activities will have the right to a refund of VAT included in the gasoil purchases connected with said activities.

See the text of the Decree in the following link: [\[CLICK HERE\]](#).

▪ **Decree N° 143/018 (Regulation of certain sections of the Investments Act).**

Last May 22 it was issued the Decree which regulates different sections of the Investments Act, regulating several aspects of the investment regime.

See the text of the Decree in the following link: [\[CLICK HERE\]](#).

▪ **Decree N° 144/018 (Services rendered through Internet).**

Last May 22 it was issued the Decree which regulates certain tax provisions contained in the Accountability Act 2016 related to taxation of services rendered through Internet, technologic platforms, apps or similar.

See the text of the Decree in the following link: [\[CLICK HERE\]](#).

Resolutions.

▪ **Resolution and Instructions issued by the Authority in Control of Corporations (AIN)**

Last April 6 the AIN issued a Resolution regulating the penalties established in the framework of Act No. 19.484 related to the identification of beneficial owners. In addition, las May 22 it were published the Instructions No. 8/2018 related to the payment of such penalties.

See the text of the Resolution and Instructions in the following links: [\[CLICK HERE\]](#) [\[CLICK HERE\]](#).

▪ **Judgment of the Administrative Contentious Tribunal (TCA)**

Last December 21, 2017 the TCA issued the Judgment No. 1067/2017 by virtue of which the Tribunal revoked and administrative act issued by the Tax Authority, within a tax audit procedure, due to the taxpayer's rights of non self-incrimination and declare with professional assistance were not respected (the "Miranda Warning").

In the case, the Tribunal understood that the taxpayer's confession was obtained through an irregular manner and therefore it cannot be taken as evidence.

Such Judgment entails a significant precedent in matter of taxpayers' rights, imposing to the Tax Authority the duty to respect such rights and safeguards in future tax audit procedures.

See the text of the Judgment in the following link: [\[CLICK HERE\]](#).

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