


INFOTAX – February 2017





CRITERIA IN
ORDER TO
QUALIFY A
COUNTRY OR
JURISDICTION AS
LOW OR NULL
TAXATION

H&H

- As we previously informed in our last *InfoTax* (see the report in the following link: [\[CLICK HERE\]](#)), the new **Act No. 19.484 on International Tax Transparency** stated that it must be considered as countries, jurisdictions or regimes of low or null taxation **those which do not comply with the requirements on a minimum effective taxation or level of cooperation in matter of transparency. Such requirements must be determined by the Government.**
- Yesterday it was made public the recently enacted **Decree N° 40/017 of February 13, 2017 which regulates the referred requirements.** The Decree was not published yet in the Official Gazette (see the text of the Decree in the following link: [\[CLICK HERE\]](#)).

- There are considered countries, jurisdictions or regimes of low or null taxation, **those which verify the following conditions:**

(i) levy the income originated in activities rendered, assets located or rights economically used in Uruguay with **an effective taxation less of 12% (twelve per cent)**, and

(ii) there is no a tax exchange information agreement or double taxation convention in force with Uruguay, or when such exchange **does not apply for all the taxes covered by the referred agreements.**

There are also included those countries or jurisdictions **which do not comply with an effective exchange of information.**

- The Decree entrusts to the Tax Authority (DGI) **the drafting of a list of countries, jurisdictions or regimes that verify all the referred conditions.**
- The referred rules entered into force **on January 1st, 2017.**

Contact:



Cr. Miguel Rocca
mrocca@hughes.com.uy



Dr. Fernando Barrios
fbarrios@hughes.com.uy

INFOTAX – February 2017



*This Infotax was prepared by the Taxation Department of Hughes & Hughes and its content is only for informative purposes, without replacing the necessary professional advice.
Hughes & Hughes will not be liable for any act and/or decision adopted on the basis of the information contained in this report without professional advice.