After intense public debate caused by prominent cases, the US Treasury Department has finally targeted tax inversions. New regulations have been issued to limit US tax benefits from inversions. With less restrictive measures, Hong Kong, Italy and Singapore are amending their rules for mergers.

The UK continues its series of corporate income tax rate cuts by announcing a 17% tax rate for 2020. India and Japan are following suit. In contrast, other countries take more tax revenue-friendly steps; Russia extends its ban on the creation of consolidated groups of taxpayers and Venezuela creates a new tax on large financial transactions. While corporate taxes in the UK are highly competitive, businesses should be aware of the tax consequences of a potential “Brexit”.

BEPS continues to be a hot topic, in particular country-by-country reporting (CbCR). In the first quarter of 2016, Canada, India, Japan and Portugal have implemented CbCR provisions. In addition, the OECD and the EU are working on several BEPS follow-up measures and new initiatives.

Read more about these topics, further interesting tax developments in selected countries around the world and current OECD and EU related issues.
OECD

- OECD BEPS final reports have implications for sovereign wealth and pension funds
  Read more

- Thirty-one countries sign tax cooperation agreement enabling automatic sharing of country-by-country reporting information
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- OECD releases plan to establish inclusive framework for BEPS implementation
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- OECD invites comments on discussion draft on treaty residence of pension funds
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- OECD seeks input on treaty entitlement of non-CIV funds
  Read more

EU

- EU publishes Union Customs Code Implementing and Delegated Acts: Major changes as of 1 May 2016
  Read more

- European Commission releases anti-tax avoidance package designed to provide uniform implementation of BEPS measures and minimum standards across Member States
  Read more

- EU Anti-Tax Avoidance Directive has implications for banking, insurance and asset management sectors
  Read more

- United States Treasury Secretary voices concerns regarding State Aid investigations
  Read more

- Dutch EU Presidency sets out EU-BEPS Roadmap
  Read more

- OECD BEPS and EU Anti-Tax Avoidance Directive have implications for captive insurers
  Read more

- EU Finance Ministers reach conclusions on new rules for Code of Conduct
  Read more

- EU Council publishes updated Draft Directive on implementation of country-by-country reporting
  Read more
### Australia

**Non-final 10% withholding tax on foreign resident capital gains**

The bill impacts foreign resident vendors selling taxable Australian property. Broadly, and subject to various exclusions, the 10% non-final withholding measure applies to the acquisition of a capital gains tax (CGT) asset from a foreign resident, where the asset is “taxable Australian property”, being either taxable Australian real property (TARP), an indirect Australian real property interest or an option or right to acquire such property or such an interest where the market value of the asset is AUD 2 million or more.

The purpose of this new withholding regime is to ensure nonresidents' compliance with the Australian tax law and to assist in the collection of nonresidents' CGT liabilities.

*Measure enacted on 25 February 2016*

*Read more here and here*

### Brazil

**Tax rates on capital gains increased**

The individual tax rates on capital gains in Brazil have been increased. Instead of the formerly flat tax rate of 15%, the new tax rate ranges from 15% to 22.5%, depending on the amount of the capital gain. Because the tax rules for resident individuals generally apply to nonresidents, the tax rate increases may also apply to both nonresident corporations and individuals.

*Law 13,259/2016, published on 17 March 2016*

*Read more*

### Netherlands included in the Privileged Tax Regimes list

Brazil places Dutch holding companies without “substantial economic activity” back on the list of privileged tax regimes.

*Declaratory Act No. 3/2015 of the Secretary of the Revenue, published in the Brazilian Gazette on 21 December 2015*

*Read more*
## Canada

### Guidance on impact of government assistance on transfer pricing

The Memorandum provides guidance on the impact of government assistance, such as scientific research and experimental development (SR&ED) credits or wage subsidies, on determining transfer prices between related parties.

This guidance reaffirms the Canada Revenue Agency’s previous informal position that it is inappropriate to assume that a Canadian taxpayer would pass on the government assistance received, dollar for dollar, to a nonresident related party; however, it does leave room for allocating or sharing of the benefits if reliable supporting evidence is available. The memorandum also specifies transfer pricing documentation requirements where government assistance is a consideration.

*New transfer pricing memorandum, TPM-17, released by the Canada Revenue Agency (CRA) on 2 March 2016*

*Read more*

## Canada issues federal budget 2016-17

The new budget proposes several tax measures, e.g.:

- Limitation of the access to the small-business deduction under certain corporate and partnership structures
- Expansion of tax support for clean energy
- Exclusion of derivatives from the application of the inventory valuation rules
- BEPS initiatives such as introduction of country-by-country reporting, spontaneous exchange of tax rulings and statements on revised OECD transfer pricing guidelines
- Extension of the back-to-back rules

*Budget 2016, tabled by the Federal Finance Minister Bill Morneau on 22 March 2016*

*Read more here and here*

## Chile

### Bill simplifying income tax system

The Chilean National Congress approved a bill simplifying the new income tax system, containing, e.g.:

- Changes to the new tax regimes (attribution regime, semi-integrated regime), e.g. regarding the election of the regimes and the imputation order for the distribution/withdrawal of profits from Chilean entities in both new regimes
- Modification of the taxable base of the tax applicable under thin capitalization rules
- Controlled foreign corporation (CFC) rules: enhancement of the meaning of the term “relationship” for purposes of determining control and modification of rules regarding the definition of passive income
- Applicability of new General Anti-Abuse Rules (GAAR)
- Value-added tax (VAT) exemption on the sale of real property

*Tax Reform Law (Law N° 20.780), published in the Chilean Official Gazette on 8 February 2016*

*Read more here, here and here*
### China

**New administrative measures for high-and-new technology enterprises (HNTE) incentive criteria**

An HNTE is eligible for a 15% reduced corporate income tax rate. Circular 32 amends the HNTE qualification criteria. Key changes include:

- The core IP should be owned by the HNTE. Enterprises that acquired intellectual property (IP) under a minimum five-year exclusive licensing arrangement no longer qualify as HNTEs.
- The minimum 30% of employees required to hold a diploma certificate or a higher degree is eliminated.
- The research and development (R&D) expense is reduced from 6% to 5% of annual revenue for enterprises that have no more than RMB50 million (approx. US$7.7 million) annual sales.
- Circular 32 includes a list of National Encouraged High New Technologies. To be treated as an HNTE, its core IP must be IP specified on the list.
- Simplification of the approval process and amendments to the administrative follow-up procedures.

*Guokefahuo [2016] No. 32 (Circular 32), issued by China’s Ministry of Finance, the State Administration of Taxation (SAT) and the Ministry of Science and Technology on 29 January 2016*

**Scope of technologically advanced service company incentives expanded**

Two-year pilot policy to encourage development of innovative services in 15 pilot areas. Circular 40 expands the scope of enterprises that are eligible for the technologically advanced service company (TASC) incentives by adding enterprises that are engaged in high-end technologies and high value-added services. A qualified TASC in the pilot areas will be eligible for a 15% reduced corporate income tax (CIT) rate.

*Guohan [2016] No. 40 (Circular 40), issued by China’s State Council on 22 February 2016*

### Colombia

**Potential 2016 wealth tax filing requirement for foreign entities without legal presence in Colombia**

Colombia, through Law 1739 of 2014, established a new wealth tax for years 2015 to 2018 for individuals and for years 2015 to 2017 for companies, including foreign entities without legal presence in Colombia (e.g., without a branch or a permanent establishment in Colombia).

For tax year 2016, the wealth tax return and first payment is due from 11 May to 24 May, and the second payment is due from 8 September to 21 September. To fulfill all tax obligations in Colombia, foreign entities must be registered with the Colombian Tax Registry (RUT) as wealth taxpayers and obtain tax identification numbers. In addition, they must have a local agent or representative (via power of attorney) to sign and file the tax return.

*Law 1739 of 2014, established by Colombian Government*
Danish Tax Authorities resume refunds of dividend withholding tax

The processing of all dividend withholding tax reclaims had been suspended by the Danish Tax Authorities (SKAT) since August 2015 following suspected fraud by foreign claimants in the years 2012-2015. The Danish Tax Authorities (SKAT) have now announced that repayment and processing of dividend withholding tax reclaims are resumed from 17 March 2016.

Refunds of dividend withholding tax, resumed by the Tax Authorities (SKAT) in March 2016

Read more here, here and here

Hong Kong

Interim tax treatment on court-free company amalgamations

Hong Kong’s Inland Revenue Department (IRD) recently announced that it is considering enacting specific legislation to address court-free amalgamations (amalgamation of two or more wholly-owned companies within a group without the need of court approval). In the interim, when the IRD is satisfied that a court-free amalgamation, not involving a sale of assets, is not carried out for the purpose of obtaining tax benefits, the surviving entity will generally be treated as the continuation of the amalgamating company that ceased to exist as a separate legal entity.

Tax Guide on Amalgamations, issued by Hong Kong’s Inland Revenue Department (IRD)

Read more here and here
### India

**India's Budget 2016 includes significant international tax proposals**

Key proposals are, e. g.:
- Corporate tax rate reductions from the current basic rate of 30% to:
  - A 25% (plus surcharges) rate for domestic companies set up and registered after 1 March 2016, engaged in manufacturing business and not claiming any tax incentives
  - A 29% (plus surcharges) rate for domestic companies where the total turnover in the tax year ending 31 March 2015 does not exceed INR50 million (approx. US$0.75 million)
- Implementation of Master File and CbC reporting
- New withholding tax of 6% (equalization levy) on certain digital services received or receivable by nonresidents (NRs) from an Indian resident or an NR with a permanent establishment (PE) in India
- "Patent Box" tax regime for royalty income that provides a 10% (plus surcharges) concessional tax rate on gross basis for worldwide royalty income arising from the exploitation of patents developed and registered in India by Indian residents
- Beneficial tax rate/exemption in certain cases of capital gains income
- General Anti Avoidance Rules to be effective from 1 April 2017

*Finance Bill 2016, presented by the Finance Minister to the Indian Parliament on 29 February 2016*

Read more here, here, here and here

### Revised guidance on transfer pricing audit procedures

The new guidance re-affirms that cases would be selected for audits based on "transfer pricing risk parameters" under the Computer Assisted Scrutiny Selection (CASS) system instead of selection by monetary thresholds. It also indicates circumstances under which cases would also be selected for audits manually. The new guidance, together with the introduction of country-by-country reporting and master file TP documentation (Finance Bill 2016), can be expected to result in more targeted risk identification and assessment of appropriate cases for TP audits or enquiries by tax authorities.

*Instruction No.3 of 2016 (New Guidance), issued by the India's Central Board of Direct Taxes (CBDT) on 10 March 2016*

Read more

### Italy

**Important clarifications on (merger) leveraged buyout transactions**

The Circular clarifies that an Italian acquisition vehicle (SPV) may deduct interest expenses (within the limits provided by the law and transfer pricing provisions) incurred in the context of MLBO/LBO acquisitions either in the case of a subsequent merger with the Italian target or in the case of an election for tax consolidation. The importance of this interpretation lies in the fact that in recent years, the IRA has often challenged the deduction of interest paid in connection with loans granted to Italian acquisition vehicles by banks, shareholders and other lenders in the context of MLBO/LBO transactions. The Circular also contains several clarifications on MLBO/LBO transactions that might generally affect cross-border structures involving the acquisition of an Italian target.

*Circular No. 6/E, issued by the Italian Tax Authorities (ITA) on 30 March 2016*

Read more
Japan

Tax Reform Act: CIR rate reduction and country-by-country reporting implementation

The Bill includes both favorable proposals, such as a further corporate tax rate reduction, and unfavorable proposals, such as broadening non-income based Enterprise Tax. Some key issues are:

- For large sized companies, the combined national and local effective corporate tax rate for companies located outside the metropolitan areas will be reduced from currently 32.11% to 29.97% and 29.74% (2018). In Tokyo, the effective tax rate will be 30.86%. SMEs will be subject to effectively 34.8% in Tokyo (higher as only large sized companies are subject to Enterprise Tax with non-income tax bases).
- Increase of non-income based taxation: from 0.5% Enterprise Tax on salaries, rent and interest and 0.21% on capital to 1.26% respectively 0.525% (Tokyo rates)
- The new transfer pricing documentation rule is in line with the Organisation for Economic Co-operation and Development's (OECD) Guidance on Transfer Pricing (TP) Documentation and Country-by-Country Reporting (CbCR)
- Repeal of JPY 30,000 limitation to the scanned document retention rules

2016 Tax Reform Act, enacted on 29 March 2016

Read more here, here and here

Kuwait

Investment authority clarifies means and conditions for tax exemption of investments

A resolution by the Kuwait Direct Investment Promotion Authority (KDIPA) clarifies the mechanism and the conditions to be satisfied by the investment entity for obtaining the tax exemption on the total investment value in Kuwait. The resolution complements Law No 116 of 2013 and related Executive Regulations of 2014.

Resolution No. 16 of 2016, issued by the Kuwait Direct Investment Promotion Authority (KDIPA) on 27 January 2016

Read more here and here

Mexico

Special economic zones bill

The new bill allows for the establishment of special economic zones (SEZs) to promote investment in certain regions of Mexico. The bill provides temporary tax benefits that will gradually decrease. The benefits will be granted for a minimum of eight years, during which they would not be modified, except for their gradually decreasing nature. A subsequent Presidential decree granting the SEZ will define the applicable tax payment forms and procedures.

Special economic zones bill, approved by the lower chamber of Mexico’s Congress on 14 December 2015

Read more
## Poland

**Bank and insurance levy introduced**

A new bill imposes a bank tax on assets of financial institutions. The new tax will be payable by selected financial institutions, i.e., domestic banks, consumer loan lending institutions and insurance companies as well as branches of foreign banks and insurance companies. The tax will be 0.0366% of the taxable base monthly (which is 0.44% annually) for all taxpayers subject to this tax. The tax will not qualify as a deductible cost for corporate income tax purposes in Poland.

*Bill, published in the Journal of Laws on 18 January 2016*

[Read more](#)

## Portugal

**Portugal introduces country-by-country reporting**

Introduction of an obligation for multinational groups to submit a declaration with financial and tax-related information - country-by-country (CbC) reporting. Reporting will be mandatory for fiscal years starting in 2016. Failure to submit such a declaration will result in a penalty ranging from €1,000 to €20,000.

*Law no. 12/XIII, State Budget Law for 2016 (SBL 2016) Article 121.º-, published on 5 February 2016*

[Read more](#)

## Romania

**New rules on doubtful receivable deductions, binding tax rulings and APAs**

- Doubtful receivable deductions: New provisions regarding the deductibility of adjustments recorded for doubtful receivables. 100% of the value of the receivable is deductible as a depreciation adjustment if related to individuals subject to an on-going insolvency procedure.
- Binding tax rulings and APAs: guidance on procedural details


*Order no. 3735, published in the Official Gazette on 29 December 2015*

[Read more](#)

## Russia

**Extension of the Ban on the Creation of Consolidated Groups of Taxpayers (CGT)**

The period of operation of the prohibition ends on 1 January 2018. Accordingly, in 2016-2017 no agreements on the creation of CGTs will be registered, and those registered during 2014-2015 will be considered non-registered. CGTs registered after 1 January 2018 must be created for no less than five years (previously two years).

*Federal Law No. 327-FZ, signed on 28 November 2015*

[Read more](#)
**Content**

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<th>Saudi Arabia</th>
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**Government clarifies service PE concept**

In response to a formal request from an international government organization, the Government, via a ministerial authority, has clarified when a nonresident service provider is considered as having established a service PE in the KSA. The Government's letter confirms that a nonresident should be taxed according to the provisions of double taxation agreements (DTAs) concluded by Saudi Arabia and no tax should be applied in contradiction to the provisions of such agreements.

*Read more*

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<th>Singapore</th>
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**Inland Revenue Authority of Singapore releases 2016 Transfer Pricing Guidelines**

Changes to note include enhanced guidance on the cost plus method and significant enhancements to the Mutual Agreement Procedure (MAP) and Advance Pricing Arrangement (APA) programs. The 2016 TP Guidelines remain broadly in line with the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and will have immediate effect. Some taxpayers have already been invited to adopt the revised APA process on a voluntary basis.

*Revised transfer pricing guidelines (2016 TP Guidelines), released by the Inland Revenue Authority of Singapore on 4 January 2016*

*Read more*

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<th>Singapore</th>
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**Singapore Budget 2016**

The Budget for the financial year 1 April 2016 to 31 March 2017 includes a number of tax changes to help businesses address their near-term concerns arising from the cyclical slowdown and to support businesses and industries in transformation and innovation. Key tax initiatives are, amongst others:

- Automation Support Package: Expansion of the Capability Development Grant to support the roll-out or scaling up of automation projects at up to 50% of the qualifying costs and an investment allowance for qualifying projects of 100% on the amount of approved capital expenditure, net of grants.
- Mergers and Acquisitions (M&A) provisions: Doubling of the existing cap for qualifying M&A deals from S$20m (US$14.6m) to S$40m (US$29.2m), such that a 25% tax allowance and stamp duty relief will be granted for up to S$40m (US$29.2m) of consideration paid for qualifying M&A deals per applicable period.
- Different amortization period election for intellectual property rights (IPRs) and introduction of an anti-avoidance mechanism for IPR transfers
- Extension and enhancement of the Finance and Treasury Centre (FTC) incentives
- Extension and refinement of the tax incentive for trustee companies
- Extension and refinement of the tax incentives for captive insurance companies

*Budget 2016, released on 24 March 2016*

*Read more*
South Africa

Revised reportable arrangement list with wider scope for reporting inbound services

The South African Revenue Service (SARS) published a list of revised reportable arrangements. Reportable arrangements are generally arrangements perceived by SARS to have characteristics that may lead to undue tax benefits. It is expected that SARS will be using the information to strengthen its ability to detect possible permanent establishments, assess possible transfer pricing transgressions and VAT non-compliance. Key additional arrangements are:

- The reportable inbound services covered are consultancy, construction, engineering, installation, logistical, managerial, supervisory, technical or training services (covered services)
- Assessed loss trafficking: threshold of R50m of assessed losses / expected losses in the current year
- Share-buy-backs of a least R10m if followed by issue of share capital within 12 months
- Hybrid equity instruments
- Offshore Trust capitalization

List of revised reportable arrangements, published in the Government Gazette on 3 February 2016

Read more

United Kingdom

Tax implications of referendum on the UK’s membership of the European Union (EU)

A referendum on the UK’s membership of the European Union (EU) will be held on Thursday, 23 June 2016. A potential “Brexit“ might have several tax implications:

- Particularly value added tax (VAT) and excise duties might be affected, which are the most harmonized taxes.
- Although direct taxes are a matter for the member states themselves, there is relevant EU legislation in the form of EU Directives and the State Aid regime which the UK currently needs to comply with, such as the merger directive, the parent-subsidiary directive, the Interest and Royalties Directive, the EU Capital Duty Directive and the Directive on administrative cooperation in the field of taxation.
- Currently, restrictions on State Aid apply as well as the general requirement to the UK to align its tax law with EU law and in particular with the four fundamental freedoms.

Read more
Finance Bill 2016

The new Budget highlights measures which are intended to back British business and tackle multinational tax avoidance. Some specific measures are:

- A further cut of corporation tax to 17% in 2020. The current rate of 20% will be cut to 19% from 1 April 2017 and then cut by a further 2% from 1 April 2020.
- Revisions to the existing Patent Box rules will be made with effect from 1 July 2016 to bring them in line with OECD’s BEPS Action 5.
- New rules to address hybrid mismatches will be brought into effect from 1 January 2017.
- A package of three measures is being introduced with regard to royalty payments and the deduction of income tax at source (new anti-avoidance provision, broadening of the definition of a royalty, extension of the rules to determine whether a royalty has a UK source).
- Large business requirement to publish an annual tax strategy in relation to UK taxation.
- Specific provisions for the oil and gas industry and the banks.
- More flexibility on treatment of tax losses incurred on or after 1 April 2017. Companies would be able to use these losses against other income. However, from the same date losses will only offset up to 50% of profits for companies with profits in excess of £5 million.

*Finance Bill 2016, announced by the English Government on 24 March 2016*

*Read more here and here*

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United States

**Inversion Regulations**

- The Temporary Regulations, which are effective for inversions completed on or after 4 April 2016, incorporate the provisions of prior Notices along with certain supplemental or clarifying changes to those provisions (i.e., Notice 2014-52 and 2015-79). Notably, the effective dates of the provisions contained within the two Notices (22 September 2014 and 19 November 2015) remain unchanged.
- The Temporary Regulations include a new provision which disallows, for purposes of the combined group ownership fraction, shares of the non-US acquiring company which are attributable to its US domestic entity acquisitions occurring during the prior 36-month period. This rule may, for example, be an impediment to pending inversions in which the non-US acquisition company’s value has been built on prior US domestic target acquisitions.
- The Temporary Regulations further restrict the ability to invert by including a Multiple-Step Acquisition Rule. Such rule addresses certain multi-step transactions, including those in which a non-US acquirer purchases a non-US target which had recently acquired a US domestic target in an acquisition intended to avoid the application of the inversion rules by, for example, qualifying under a substantial activities safe harbour.
- Other new provisions have been added, including provisions relating to certain de-CFC transactions and resulting gain recognition.

*Read more*
Content Application

Section 385 Regulations - Debt-Equity Characterization

Treasury has issued new proposed regulations potentially impacting instruments issued on or after 4 April 2016 (subject to certain transition rules upon such regulations becoming final as well as certain exceptions). These regulations apply to both US multinational corporations (“MNCs”) and non-US MNCs if they have US subsidiaries and apply to any debt within the expanded group (applying the 80% vote or value test). Treasury intends to “move swiftly” to finalize the proposed regulations.

Among other considerations, the proposed regulations appear to:
• Allow the IRS to treat as equity certain debt issued in a leveraged dividend or certain other acquisitions of shares or assets (including triangular or hook stock issuances of debt for shares) from related corporations in transactions that are similar to a dividend distribution.
• Allow the IRS to bifurcate an instrument as part debt and part equity – previously it was an “all or nothing” approach on evaluating an instrument.
• Set guidelines for formal documentation standards on what a taxpayer must do to support debt treatment (including a debt capacity type analysis and retention of evidence of compliance or non-compliance with the terms of the instrument) – generally mirroring what we have already been recommending to clients.

The characterization provisions do not appear to impact pre-existing debt (which is generally tested as of the date of issuance), and further consideration is being given to the potential application of some of the existing provisions that allow “safe harbour” extension of pre-existing debt instruments. However, some focus should be given to certain existing intercompany accounts, revolving credit facilities and cash pooling arrangements.

Read more here and here

Effective as of 4 April 2016

US Model Treaty including new provisions to combat base erosion and profit shifting

The US Treasury Department (Treasury) released a revised US Model Income Tax Convention, which is the baseline text Treasury uses when it negotiates tax treaties. Significant provisions include, among others:
• Tightening the “triangular provision” and denying treaty benefits when certain income is attributable to a permanent establishment (PE) outside the beneficial owner’s country of residence
• Denying treaty benefits to certain income items benefiting from a “special tax regime” (an STR) in the beneficial owner’s country of residence
• Denying treaty benefits for interest if the interest is beneficially owned by a related person that benefits from a notional interest deduction for equity
• Denying treaty benefits for certain dividends and deductible payments made by a domestic corporation treated as an expatriated entity during the 10 years following the completion of an inversion transaction
• Modifying the limitation-on-benefits (LOB) article, including adding a “derivative benefits test,” a base erosion prong to the “subsidiary of a publicly traded company” test and a “headquarters company test” that would allow treaty benefits for certain interest and dividends paid by members of a multinational corporation

The 2016 Model Treaty, released by the US Treasury Department (Treasury) on 17 February 2016

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<th>Application</th>
<th>Ukraine</th>
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<tr>
<td><strong>Reduction of income and social tax rates</strong></td>
<td>Effective as of 1 January 2016</td>
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<tr>
<td>The respective changes will impact employers operating on the Ukrainian market and employees (both Ukrainian citizens and foreign assignees to Ukraine). Key changes are, e.g.:</td>
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<tr>
<td>• Income tax rate for employment income: flat rate of 18%, compared to the graduated rates of 15%–20% previously</td>
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<td>• Reduction in the “passive” income tax rate from 20% to 18%</td>
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<td>• Increase of real estate tax rate</td>
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<td>• Changes to taxation of cars</td>
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<tr>
<td>• The Unified Social Tax (UST) rate for employers in 2016 has been set at 22%. Previously, it ranged from 36.76% to 49.7% depending on the class of professional risk, and income up to the payroll cap. There will no longer be any employee UST contributions (2.6% or 3.6% previously).</td>
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<tr>
<td>Law No. 3688, adopted on 24 December 2015</td>
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<td>Read more</td>
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<th>Application</th>
<th>Venezuela</th>
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<tr>
<td><strong>New tax of 0.75% on large financial transactions</strong></td>
<td>Effective as of 1 February 2016</td>
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<tr>
<td>The new tax applies on several different types of financial transactions (e.g. debits to bank accounts, transfers of securities or payment of debts without financial system mediation) that are performed e.g. by legal persons appointed as “special taxpayers”. The taxable basis will be the total amount of each debit to an account or levied transaction. The tax on large financial transactions may not be deducted from income tax.</td>
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<tr>
<td>Decree No. 2.169, published in Special Official Gazette No. 6,210 on 30 December 2015</td>
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<tr>
<td>Read more</td>
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