



International Fiscal Association

**IFA 2021 Virtual Event
29 November - 1 December 2021**

SHORT DESCRIPTION

**The Global Tax Agreement: the Two-Pillar Solution
IFA Regions: the Inclusive Framework
Latin America**

Latin America | Tuesday, 30 November 2021 | 17.00 – 19.00

Chair

Ana Claudia Utumi (Brazil)

There is no question about the importance of digital economy, which has even accelerated with measures to combat COVID-19 pandemic, with more people needing to work from home and increasing the online purchases due to lockdown/quarantine. On the other hand, not all countries are benefitting from digital economy's advances in relation to increase of public revenues. The development of the digital businesses and the digitalisation of "traditional" businesses present new challenges from a tax and business perspective for the governments of the Region.

In the context of the consensus reached by the OECD Inclusive Framework ("IF") with regards to the Two-Pillar Approach, to be implemented along 2022 through multilateral agreements and changes to legislation of each country, our panel will analyse the impacts of the adoption of this approach in Latin American context.

The panel will seek to shed a light on, amongst other issues, (i) how the LATAM countries have been dealing with the digitalization of the economy such as, which countries have maintained their tax system as it is and which ones have enacted direct and/or indirect taxes; (ii) if the Pillar 1 and 2 proposals are beneficial from a LATAM perspective; (iii) assessment of tax rights to LATAM countries; (iv) how the Pillars affect LATAM countries' treaty trends; (v) consequences for CFC and international tax rules; (vi) foreign tax credit; (vii) consequences for free zones.