

# Brazil as Coordination Center for Businesses

Gilberto Ayres Moreira  
PhD Candidate, QMUL



# Brazil as Coordination Center for Business

## Regional contest



- Argentina
- Brazil
- Mexico
- Miami (??)



# Brazil as Coordination Center for Business

Champion of the moment



- Top FDI Destination
- Top SSC Destination
- Political stability
- Economic stability



# Brazil as Coordination Center for Business Treaty Network



- WTO
- ALADI (ALAIA)
- MERCOSUR
- No BIT
- 29 DTT (5 in LATAM)



# Brazil as Coordination Center for Business

## Tax Scenario



- High Complexity
- International  
Discoordination
- MegaMarket Attitude  
Residence Principle  
Destination Principle



# Brazil as Coordination Center for Business

## Capital Inflow



- 34% CIT (IRPJ+CSL)
- Thin Cap Rules (2:1)
- Notional Interest on Net Equity (Dividend?)
- Dividend exemption



# Brazil as Coordination Center for Business Capital Outflow



- 34% CIT (IRPJ+CSL)
- CEN Approach
- Anti-deferral Rules
- DTT, art. 7 (ARG, COL, CHI, EQU and MEX)



# Brazil as Coordination Center for Business Service and Intangibles Importation



- Transfer Pricing Rules Burdensome
- Broad Scope WHT
- Unique Treaty Interpretation
- Indirect Taxes



# Brazil as Coordination Center for Business Service and Intangibles Exportation



- Transfer Pricing Rules  
Safe harbour
- Cost sharing issues
- Indirect Taxes  
Exemption
- Tax incentives



# Brazil as Coordination Center for Business

## Optimum Structure



- Regional HQ
- SSC
- No capital link



# Thank You!!

Gilberto Ayres Moreira  
g.moreira@ayresribeiro.com.br

