



AMICORP.

CONTROLLED FOREIGN COMPANY RULES FOR INDIVIDUALS TAX RESIDENTS IN BRAZIL

BRAZILIAN PROVISIONAL MEASURE #1.171

PRESENTED BY:

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ABOUT AMICORP

Amicorp is a boutique provider of corporate management, financial markets, and fund administration services. We offer clients an extensive support network of local and global market expertise, particularly across emerging markets.

Over the past 30 years, we have focused on developing innovative and bespoke solutions that help companies, asset managers, institutional investors and family offices to succeed in an ever-changing macro environment, building trusted, lasting relationships along the way.



MISSION

Amicorp adds value by providing a full suite of management expertise, financial structuring and execution services that ensure clients can successfully invest and expand in local and international markets. Provide a single source for dealing with legally required or agreed-upon administrative, tax, financial, and regulatory services, that deliver operational efficiencies, compliance through economies of scale, and peace of mind.

VISION

To be a trusted partner that continues to build strong, lasting relationships with our clients, and continues to develop the right set of innovative solutions to meet changing market needs and opportunities, while striving to be a soundly profitable business. Provide a safe and stable working environment for our employees, promote environmental consciousness, and contribute positively to the communities where we are active.

OUR SERVICES

01

FINANCIAL MARKET SERVICES

- Private Equity-Investment Management Services
- Structured Funds Solutions
- Wealth Management Services
- Research and Analysis
- Brokerage and Trade Execution
- Custody Services
- Exchange Listings
- Mergers and Acquisitions
- Private Equity and Debt Structuring
- Securitizations
- Capital Markets Administration Services

02

MANAGEMENT SERVICES

- Corporate and fiduciary services
- Tax compliance and regulatory reporting
- Asset protection and estate planning

03

GLOBALIZATION SERVICES

- Amicorp Corporate Marketplace
- Corporate Secretarial Services
- HR and Payroll Services
- Accounting and Tax Services
- Value-Added Services

04

FUND SERVICES

- Fund Administration and Investor Services
- Regulatory & Compliance Services
- Business Process Outsourcing
- Fund Platform and Structuring Services

05

BANKING SERVICES

- General Investment services
- Trading desk
- Secured cards
- Escrow services
- Trustee Services

BRAZILIAN PROVISIONAL MEASURE #1.171

INTRODUCTION

- ➔ The Provisional Measure #1.171 (MP) bring taxation to offshore companies, directly or indirectly controlled by Brazilian individual tax residents
- ➔ The MP still needs to be approved by Congress, so there is the possibility of it being changed or even rejected
- ➔ If approved by the Congress, it will bring rules that will come into force on January 1, 2024

BRAZILIAN PROVISIONAL MEASURE #1.171

HOW IS THE RULE TODAY (BEFORE THE MP)

- ➔ Legal deferral of Income Tax (IR) of assets held by offshore companies for an indefinite period
- ➔ Helps to protect international investments from inheritance/death tax
- ➔ Asset protection

BRAZILIAN PROVISIONAL MEASURE #1.171

RULES INTRODUCED BY MP #1.171

- ➔ New anti-deferral rule for profits of “foreign controlled entities” on annual basis. Entities in countries with privileged tax regimes or tax havens, or that have more than 20% of their annual income composed of passive investments, regardless of the country where the controlled entity be located
- ➔ Trusts: The Brazilian settlor will be considered the owner of the assets and rights held by a Trust until distribution by the Trust to the beneficiary or the settlor's death. Passive investments held by the Trust will be taxed
- ➔ The taxation is considering capital gain tax (22,5%)
- ➔ Update of the offshore declaration value in the Income tax declaration - The difference will be taxed at a fixed rate of 10%

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HOW CAN WE HELP?

- ➔ Accounting
- ➔ Discussion of possible solutions

GLOBAL OFFICES





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