Getting down to business

Thinking beyond regulation and policy

2016 KPMG Global Indirect Tax Forum
Americas Roundtable
The Compliance Challenge

Loren Chumley
Principal, Tax-SALT, KPMG in the US

Gabriel Vecchio
Director, KPMG in Argentina

John Bain
Partner, KPMG in Canada
Welcome
to the Americas Roundtable session

John Bain
Partner, KPMG in Canada

Source: 2016 KPMG International
2016 Americas indirect tax country guide

Global Indirect Tax Services
United States
The Nexus Quagmire

Loren Chumley
Principal, Tax-SALT, KPMG in the US
The Nexus Quagmire - Reporting US Sales & Use Taxes

— State level activity giving rise to uncertainty about requirements to collect in a jurisdiction
— Uncertainty around taxation of computer software and related services and digital products
Nexus Expansion

Enacted

Puerto Rico
Alaska
Hawaii

Reporting requirements

Colorado

Rhode Island
Connecticut
New Jersey

Nexus Expansion

Enacted
Latin America
Negotiating complexity and culture

Gabriel Vecchio
Director, KPMG in Argentina
LATAM negotiating complexity and culture

**Cross-border complexity**
- legislation
- no harmonization
- special regimes (collection and withholdings)

**The compliance challenge**
- excess of formal requirement’s
- process automation

**Common pitfalls**
- credit accumulation and litigation

Source: 2016 KPMG International
LATAM - ease of doing business 2015-2016

Score: 0-189
World Ranking: 189 countries

Regional average 128,7

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<th>Economy</th>
<th>Paying Taxes Rank</th>
<th>Ease of Doing Business Rank</th>
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LATAM negotiating complexity and culture

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The compliance challenge
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- process automation

Common pitfalls
- credit accumulation and litigation

Source: 2016 KPMG International
Canada
Surviving tax audits
- the challenge of being compliant

John Bain
Partner, KPMG in Canada
Surviving tax audits

The challenges of being compliant

- Aggressive approach to audit
- Non-resident vendors
- Risk based auditing
- Legislation Uncertainty
- Global trade development
- Other indirect taxes

Source: 2016 KPMG International
Thank you
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