



Brazil Tax Briefing (Inbound)

2022



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Brazilian Tax Residence – Presence test

Sample travel :



You become a tax resident in Brazil after completing 183 days in the country.



Days in Brazil are counted, consecutive or not, within any 12 months period; but



Days abroad are excluded, if 183 days are not completed within 12 months from the first entry, a new counting will be made considering the second entry in Brazil, and so on.

Taxation in Brazil



*NOTE: Carnê-Leão payments are done outside of the Brazil payroll. The tax amount is calculated by your tax provider and then the taxpayer is responsible for separately remitting the payments to the government.

Taxable income – Progressive table

Monthly Calculation Basis (BRL)	Rate	Deductible Portion (BRL)
Up to 1.903,98	0%	0,00
From 1.903,99 to 2.826,65	7,5%	142,80
From 2.826,66 to 3.751,05	15%	354,80
From 3.751,06 to 4.664,68	22,5%	636,13
Over 4.664,68	27,5%	869,36

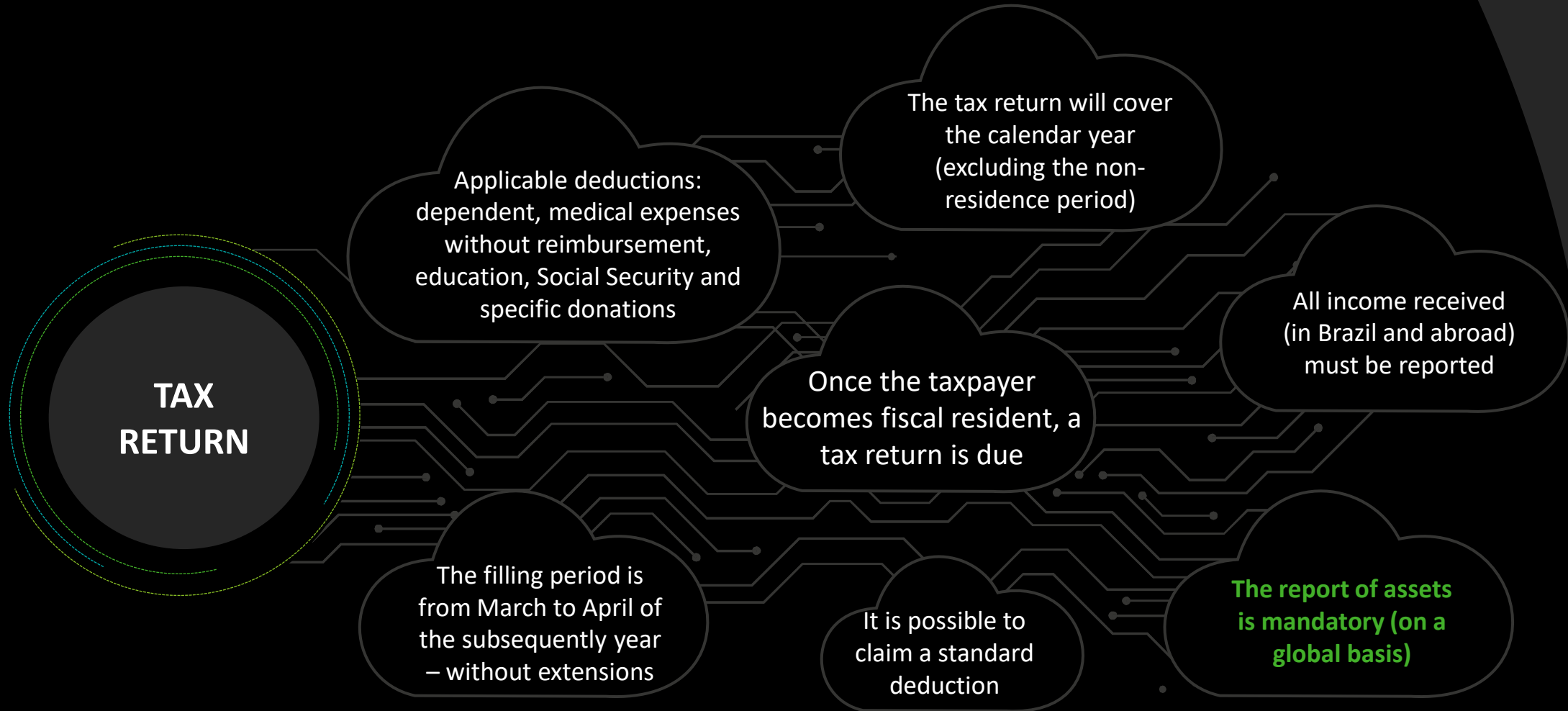
GLOBAL BASIS TAXATION

SALARY, RENTAL, DIVIDENDS AND VESTED RSU

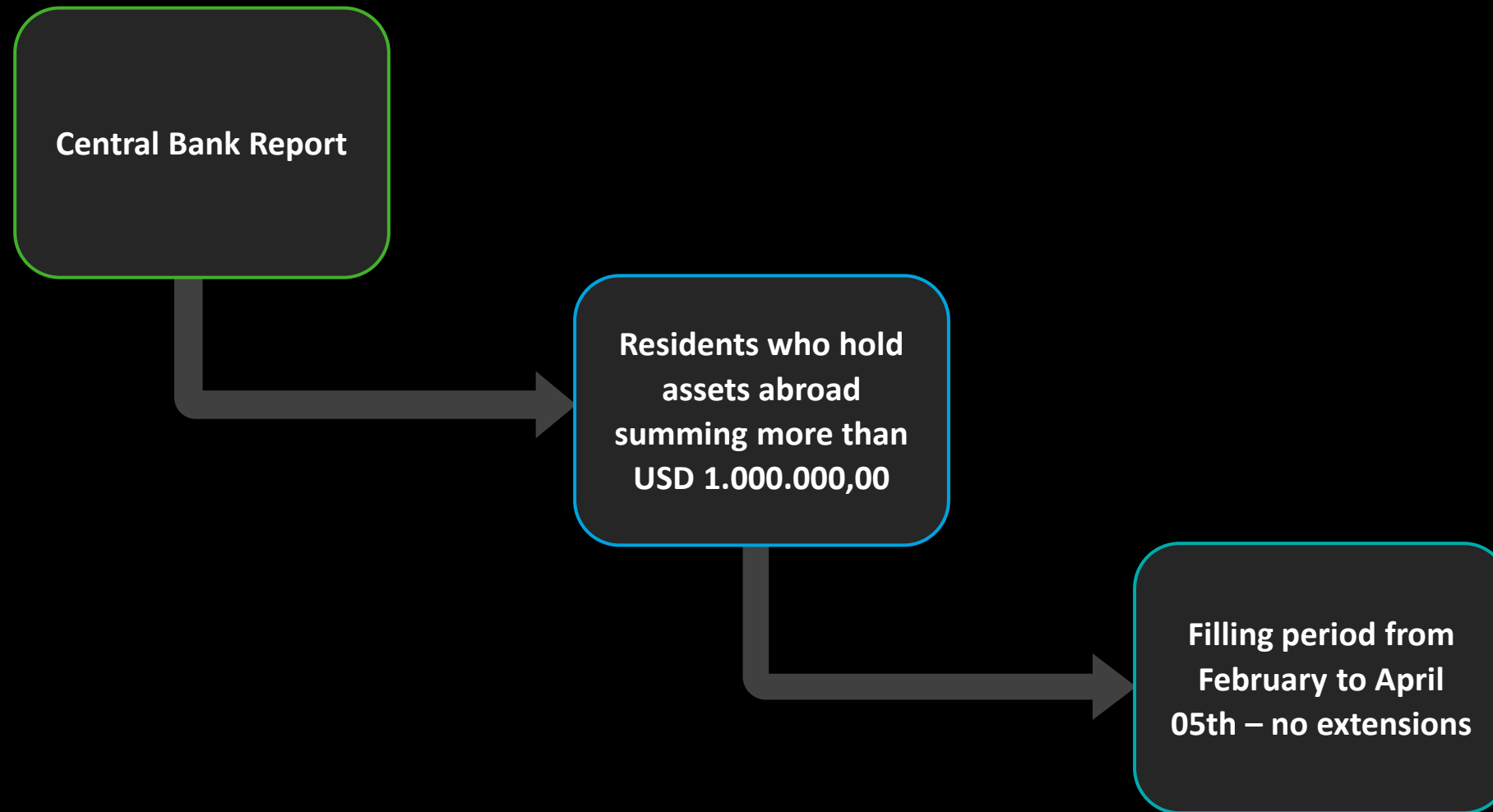
Information is subject to change

Income tax in Brazil is due on a monthly basis. Delayed payments will cause additional charges.

Brazilian income tax return

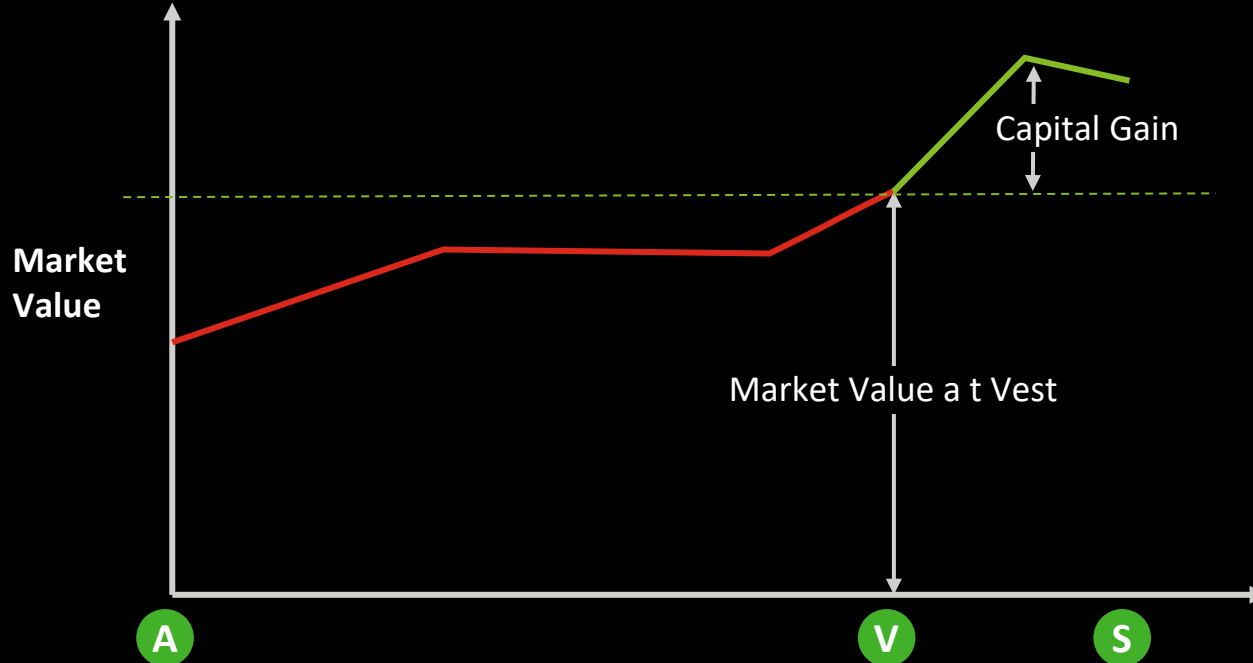


Central Bank Report



RSU Taxation

RSU (Restricted Share Unit) = a contingent right to receive shares in the future



Brazilian income tax on value of shares received (up to 27.5%) : $MV \times \text{number of shares}$, income tax due on following month, you must report income to Deloitte unless 100% taxed through the payroll.

Award: employee given contingent right to future shares, subject to vesting period(s) & conditions;

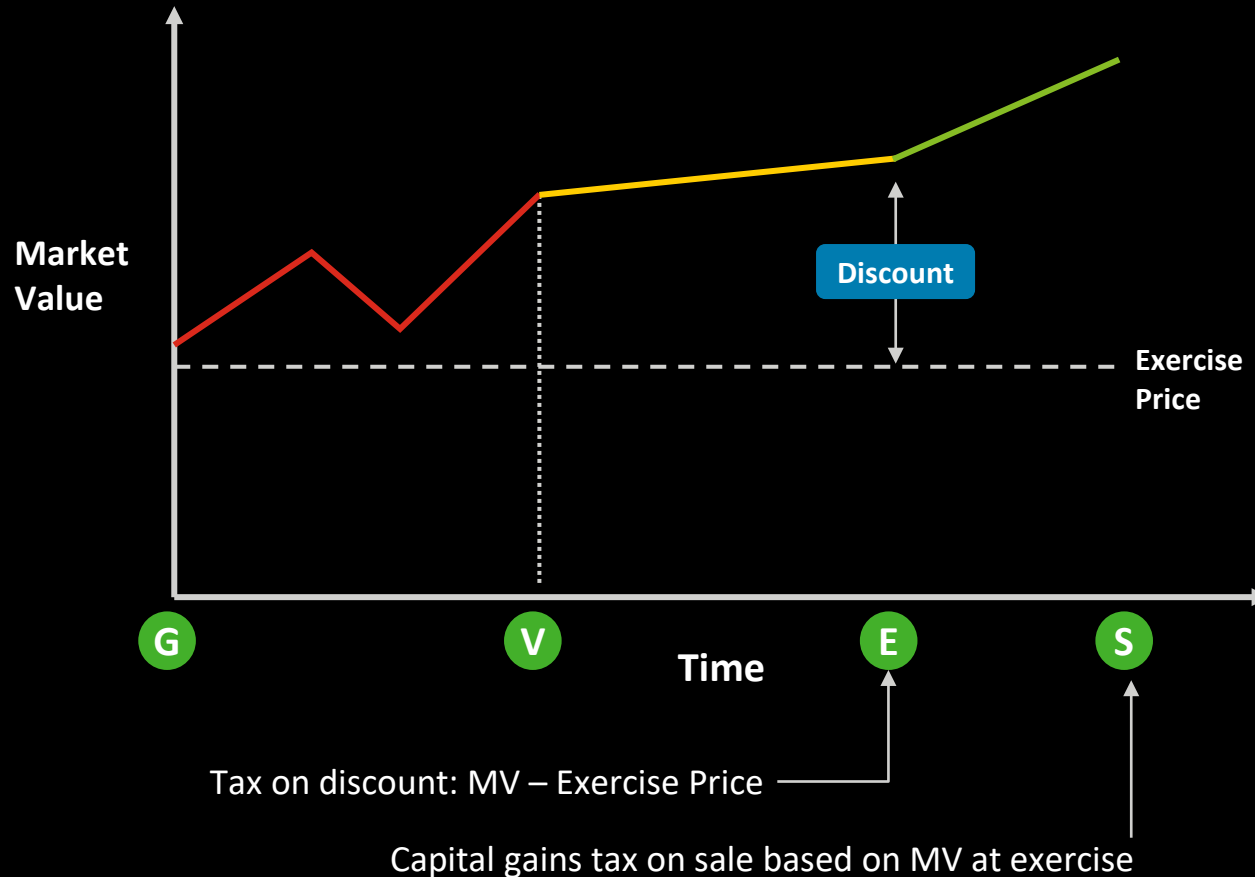
Vest: shares have been earned- employee becomes entitled to the shares

Sale: sale of shares acquired.

Brazilian capital gains tax (15%*) on sale based on MV at vest, tax due on following month, you must report income to Deloitte

Stock Option Taxation

Share option = a right to buy shares at a given price



Grant: date at which option given to employee;

Vest: option has been earned-earliest date that option can be exercised;

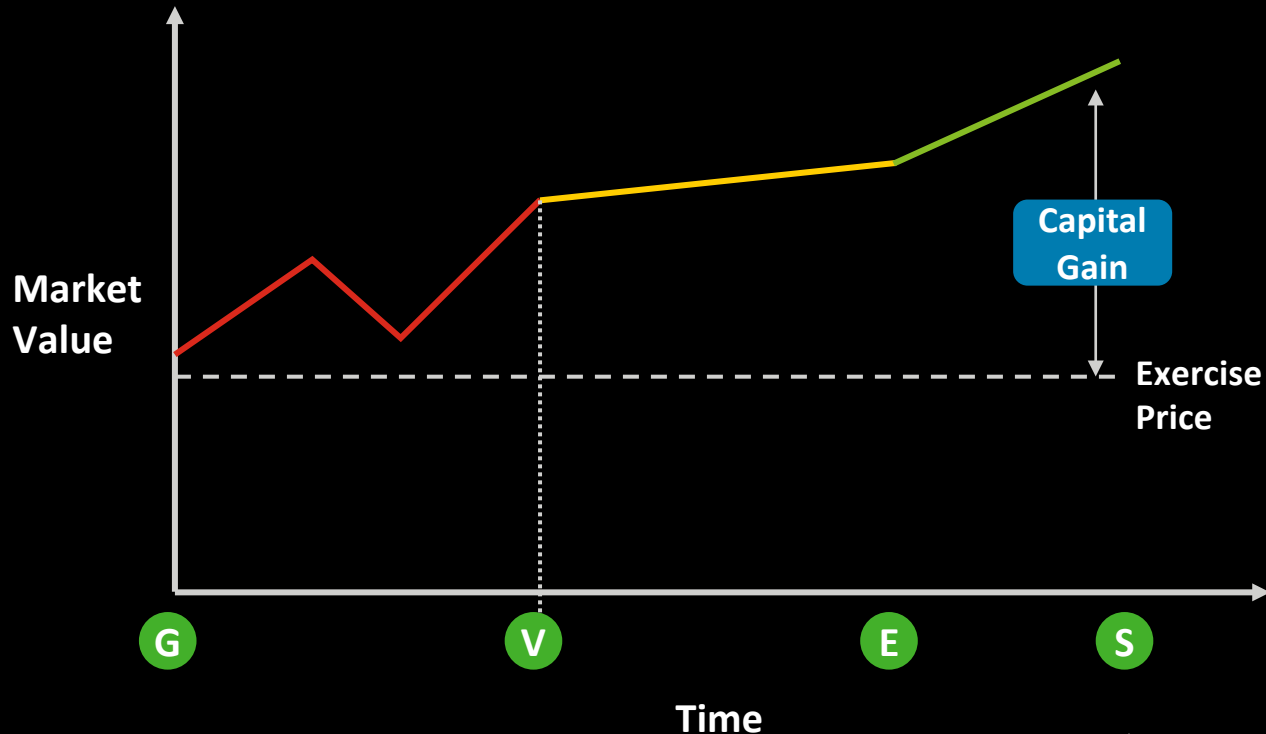
Exercise: take up right to acquire shares at (discounted) exercise price;

Sale: sale of shares acquired.

Tax due on following month, you must report income to Deloitte so we can prepare your tax voucher.
Tax is not withheld via payroll.

Stock Option Taxation – Capital Gain position

Share option = a right to buy shares at a given price



Grant: date at which option given to employee;

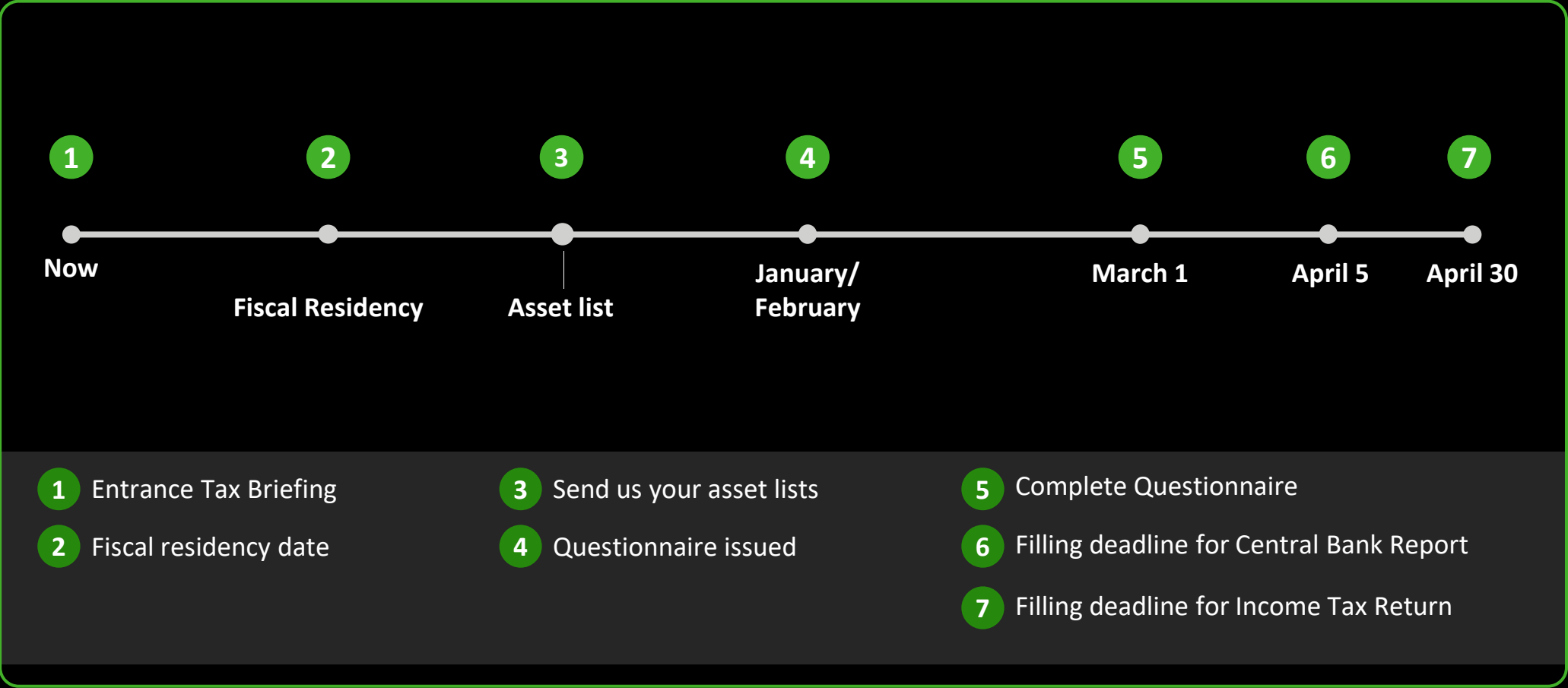
Vest: option has been earned-earliest date that option can be exercised;

Exercise: take up right to acquire shares at (discounted) exercise price;

Sale: sale of shares acquired.

Tax due on following month, you must report income to Deloitte so we can prepare your tax voucher. Tax is not withheld via payroll.

Compliance Actions & Tax Return Timeline



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