



cutting through complexity

Indirect Tax for Latin America

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KPMG's Latin American Resource Network for Indirect Tax

The shift to indirect tax from corporate tax is an unmistakable reality worldwide—and the trends KPMG LLP (KPMG) sees globally are the same trends KPMG sees within the countries that make up Latin America (LATAM). As U.S. businesses continue to expand into LATAM, spreading their reach to new territories and thus different tax regimes, they are encountering different liabilities and ever-changing reporting obligations.

Given the huge volumes of value added tax/goods and services tax (VAT/GST) transactions that must be handled at any one time, finance and tax directors in LATAM should determine that their organizations' people, systems, and processes are able to consider and respond to the VAT/GST changes that can affect their operations and internal systems as a result of changes in law, policy, and practice.

To assist with this effort, KPMG's U.S.-based Value added Tax group has assembled a talented team of professionals with substantial knowledge in and experience with indirect tax regimes across LATAM. These professionals have worked with large multinational FORTUNE 500 companies and are well-versed in research, analysis, and interpretation of LATAM indirect tax laws. Coupled with our International member firms' knowledge, experience and key working relationships with LATAM government authorities and tax administrators, KPMG can help U.S. corporations effectively navigate their indirect tax obligations.

Examples of services KPMG's Latin American Tax Resource Network has provided to LATAM clients:

- Working with a large retailer to resolve issues relating to discounts received from suppliers
- Working with a large automobile manufacturer to track costs to specific sales to enhance tax relief in Brazil
- Assisting clients with designing and implementing tax engines in multiple countries
- Assisting clients with their indirect tax compliance requirements
- Identifying and helping clients analyze the indirect tax consequences of selling and buying businesses
- Assisting clients to more fully realize eligible tax credits
- Advising a U.S. retailer on exposure to Brazilian indirect taxes arising from the incorporation of a permanent establishment
- Implementing a third-party tax engine in Brazil and assisting with the tax data model in the company's point of sale system

It is important for tax directors with LATAM responsibilities to keep these questions in mind:

- Am I measuring performance of my LATAM indirect tax function in a meaningful way?
- Am I keeping pace with the changes in local legislation and practice?
- Am I managing tax credits effectively to ensure that they are used efficiently and all are applied?
- How can I recognize and understand the application of ever-changing tax rules and regulations to my business in a timely fashion?
- How is my business managing its VAT/GST obligations and risks, both regionally and globally?
- How do I prioritize the indirect tax function?
- How do I respond to the increasing demands for greater efficiency and accuracy in transaction tax compliance?



The members of our team are:



Carlos Contasti

Prior to joining KPMG in the United States Carlos worked with KPMG International's member firm in Venezuela, where he gained over 10 years of experience advising multinational companies on a wide range of tax issues. His skills include VAT consulting and compliance, and he also has technology experience with VAT implementation and a background in Venezuelan law. Carlos speaks both English and Spanish, and currently works with KPMG International member firms on behalf of clients in many LATAM countries.



Murilo Mello

Murilo joined KPMG International's member firm in Brazil in 2004 and became partner in 2009. Fluent in Portuguese, Spanish and English, he is currently a secondment in KPMG's U.S. firm and leads the Brazilian desk. Working with both foreign and domestic companies, as well as other KPMG member firms and offices, Murilo provides advice to multinational corporations on cross-border and domestic indirect tax issues and the impact of trade and customs on supply chain and tax projects.



Kathya Peimbert

Kathya has a law degree with a specialization in tax, and an LLM in International Tax and Financial Services. With over eight years of experience in Latin American tax-related laws, she has helped clients with indirect tax automation needs in Argentina, Mexico, Colombia, Chile, Ecuador, Panama, Venezuela, Dominican Republic, and Peru. Technology implementation is her specialty, including OneSource, VAT software and SAP. Kathya speaks English and Spanish.



Niren Saldanha

Niren leads KPMG's tax technology efforts for global deployments. He has over 15 years of experience advising multinational clients on indirect tax automation issues. He has assisted clients in almost every country in Latin America. Niren's technology implementation experience includes ERP, Vertex, OneSource, ADP/Taxware with SAP, ADP/Taxware with Oracle, and Vertex O with SAP. He can also provide VAT diagnostic reviews and international tax consulting on VAT/GST.



Paula Smith

Paula specializes in indirect tax automation for LATAM countries with specific emphasis on Brazilian indirect taxes, as she has over 10 years of experience with researching and interpreting Brazilian tax laws, and interacting with Brazilian tax authorities. She has broad experience in indirect tax software implementations with specific emphasis on Brazil, but also in Argentina, Chile, Colombia, Panama, Peru, Venezuela, and Mexico. Paula speaks English and Portuguese.



Raquel Quintana Zafra

Raquel has over 10 years of experience assisting with indirect tax consulting and global transaction tax automation in Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Panama, Paraguay, Peru, Uruguay, and Venezuela. She is accomplished in all areas of general VAT consulting, as well as with compliance issues such as VAT returns and reporting, refund claims, and tax planning. Her technology capabilities include VAT implementation in ERP, Vertex, OneSource, and Vertex O with SAP. Raquel speaks English and Spanish.



Loren Chumley

Loren Chumley, principal and national leader for KPMG's U.S. Indirect Tax practice.



Frank Sangster

Frank Sangster, principal and national leader for KPMG's Value Added Tax group.

Loren and Frank serve as leads and advisers to KPMG's Latin American Resource Network for Indirect Tax.

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