



GMS Flash Alert

2021-195 | July 12, 2021



Brazil - Authorities Update Online Services

In view of the complications caused by the COVID-19 situation in Brazil, the local tax authorities have updated their systems with the addition of new online services for some administrative processes, which previously could only be requested/performed in person in one of the agencies in Brazil.¹ The expectation is for such services to continue to be available even after the end of the pandemic.

WHY THIS MATTERS

These updates provide relief to taxpayers who may be unable to complete these processes physically in person due to the COVID-19 crisis and the resultant disruption to normal routines. It is a way to facilitate, address, and expedite the needs and requests of individuals (including those living outside Brazil) concerning certain administrative processes. It can also help save time and costs for both individual taxpayers and companies, especially those with Brazil-inbound/outbound assignees.

Main Changes

Changing Tax Residency Status for Retirement Payments

Individuals receiving retirement payments from the Brazilian government can communicate online that they are leaving the country permanently, so that the social security authorities can change their status to “nonresident” for tax purposes, and instruct the future payments accordingly. It is important to emphasize that this update is mandatory to avoid tax pending issues in the future. This requirement must also be applied through the social security system portal – “MEU INSS.”²

FGTS (Workers Severance Indemnity Fund)

The authorities have also improved the FGTS mobile app³ to enable eligible individuals to request their FGTS withdrawals automatically, without the need to go to one of the government’s banking agencies.

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Providing that the withdrawal requirements are met, and that the applicable documents are duly uploaded into the app, the beneficiaries can communicate the details of their Brazilian bank account to receive the deposit.

KPMG NOTE

It is important to highlight that although these online services can be accessed and undertaken remotely, the Brazilian authorities may request additional documents, or even a face-to-face interview with the requestor – or his/her attorney – to show or file the required documentation. Companies sending assignees out of Brazil, and individuals leaving the country, should contact their tax advisers for more information if they have any queries.

FOOTNOTES:

1 To see (in Portuguese) the Meu INSS updates release, click [here](#), and for Decree n. 9.756/2019, which regulates the Online Portal, click [here](#).

2 To see (in Portuguese) the Brazilian social security website “MEU INSS”, click [here](#) .

3 To see (in Portuguese) the FGTS website, click [here](#).

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Contact us

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The information contained in this newsletter was submitted by the KPMG International member firm in Brazil.

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