

GMS Flash Alert



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Brazil - 2021 Income Tax Return Filing One-Month Extension

On April 5, 2022, the “Receita Federal do Brasil,” the Brazilian Revenue, announced¹ that the filing and payment deadline for all taxpayers subject to Brazilian tax law in respect of the 2021 tax year has been extended to May 31, 2022. The original due date was April 29, 2022.

WHY THIS MATTERS

The extended deadline provides relief to taxpayers who may be unable to meet the original filing/reporting deadline. Taxpayers and tax service providers should be aware of the relaxation of the filing deadline and take action to meet the new deadline as appropriate.

A similar measure was taken in the previous two years – in 2020 the authorities decided to extend the filing deadline for 60 days, and in 2021 there was also a one-month extension, both due to the pandemic situation. Before 2020, tax returns filing deadlines have not been granted since the late-1990’s.

2021 Brazil Income Tax Returns

Filing Extension

Taxpayers had the period from March 7, 2022, to April 29, 2022, to complete their 2021 Brazil income tax returns and pay the related tax due. On April 5, 2022, the Revenue confirmed that the filing deadline has been extended to May 31, 2022, in respect of the following returns:

- 2021 Annual Income Tax Return – applicable to individuals who remained tax resident in Brazil during the entire 2021 calendar year, or individuals who became tax resident during the 2021 tax year.

- 2021 Final/Departure Income Tax Return – applicable to individuals who became nonresidents in Brazil throughout the 2021 calendar year and remained in this situation on December 31, 2021.

Late-filed tax returns are subject to penalties of 1 percent per month, limited to 20 percent, on the total tax amount due (even if already paid), with a minimum applicable amount of BRL 165.74.

Payment Extension and Refunds Schedule

The Revenue has also extended until May 31, 2022, the deadline for the payment of income tax due in respect of 2021 income tax returns.

The tax due amounts can be paid by a tax bill (“DARF”), or by direct debits from a bank account selected by the taxpayer. However, individuals opting for direct debt payments have until May 10, 2022, to submit their 2021 tax returns in order to be able to pay the total tax amount due via direct debit.

With regard to tax refunds, the Revenue decided to keep the previous schedule for the authorities’ payments. The 2021 tax refunds are scheduled to be paid in five monthly installments, from end-May 2022 until end-September 2022, based on the taxpayers’ filing date, with a special priority for taxpayers aged 60 years or older, people with physical or mental disabilities, people with serious illnesses, and teachers.

FOOTNOTE:

1 To see (in Portuguese) the Brazilian Revenue Normative Ruling n. 2.077 with new guidelines for the 2021 Brazil Income Tax Return filing and payment (*Instrução Normativa Rfb N° 2.077, de 4 de Abril de 2022, Publicado em Diário Oficial da União: 05/04/2022, edição: 65, seção: 1, página: 12*), [click here](#).

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Contact us

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