

GMS Flash Alert

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Brazil - Federal Revenue Updates Procedures Pertaining to Individual Taxpayer Registry

On January 10, 2024, the Brazilian Federal Revenue (RFB) announced Normative Instruction No. 2,172/2024, which updates the procedures for registering individuals and aims to mitigate the risk of fraud.¹ This new instruction consolidates the general rules related to the individual taxpayer registry (*Cadastro de Pessoas Físicas*, CPF), providing enhanced security measures during the registration process. These measures are designed to improve the overall reliability of the CPF registry and reduce the likelihood of fraudulent activities.

WHY THIS MATTERS

Normative Instruction No. 2,172/2024 aims to enhance the legal framework that regulates the CPF by mitigating the risks of fraud and misuse of the CPF by third parties. This initiative seeks to promote greater security for government agencies that rely on the CPF for their records, as well as for citizens and society. The changes are expected to improve citizens' access to public services and strengthen the proper application of public resources, creating barriers to potential fraud or misappropriation of resources.

More Details

Among the changes²:

- The mandatory registration with the CPF of individuals who are declared as "food earners"³ for the purposes of the Personal Income Tax - IRPF, helping to ensure that all individuals who meet the criteria for taxation are properly registered.
- The mandatory presentation of a passport by foreign nationals residing abroad or in transit in Brazil who request registration documents related to the CPF (except in cases where the foreign national comes from a state that is party to the Southern Common Market - Mercosur or from an associated state)

admitted under an international agreement. In these cases, a valid identification document from the individual's home country can be presented instead.

- The establishment of rules to mitigate the risk of fraud in services related to the CPF, such as the collection of biometrics when appearing at the RFB for registration and the mandatory presentation of an original identification document or certified copy by the applicant for face-to-face service at the RFB.
- The provision that a public body authorized by the Federal Revenue Service may carry out acts of suspension, cancellation, and annulment of the CPF, helping ensure that any fraudulent or inappropriate use of the CPF may be quickly and effectively addressed.

Steps by the CPF in Cases of Fraud

Another important aspect of the new Normative Instruction is the declaration of nullity of registration with the CPF in cases of fraud. The Instruction specifies that any registration with the CPF found to involve fraud will be declared null by the head of the RFB unit or a tax auditor from the Federal Revenue of Brazil. This will be done through an executive declaratory act, which will indicate the reason for the nullification. Importantly, the declaration of nullity will have retroactive effect to the date of registration.

Changes to Registration

Additionally, the Normative Instruction provides for changes to registration data in the CPF by the RFB in various circumstances. This includes cases where the interested party, who is over or under 16 years of age, requests the inclusion or exclusion of the social name of a transvestite or transsexual individuals.⁴ These changes are aimed at fostering accurate representation in the CPF registration of the individual's identity and personal information, while also respecting their rights and dignity.

KPMG INSIGHTS

The KPMG mobility team is committed to closely monitoring any updates from public entities related to fiscal residents in Brazil and will continue to keep readers of *GMS Flash Alert* informed of any significant measures or changes in this area. This ongoing monitoring and communication are intended to keep individuals and organizations up-to-date on the latest developments, allowing them to make informed decisions regarding their tax and financial obligations in Brazil.

FOOTNOTES:

1 [*Instrução Normativa RFB Nº 2172, de 09 de Janeiro de 2024.*](#)

2 [*Ministério da Fazenda, "Receita Federal atualiza procedimentos no âmbito do CPF, melhorando a vida do cidadão e promovendo a correta aplicação dos recursos públicos." \(Publicado em 10/01/2024.\)*](#)

FOOTNOTES (cont'd):

3 From the text (in Portuguese): "... obrigatoriedade de inscrição no CPF de pessoa física declarada como "alimentanda" para fins do Imposto sobre a Renda da Pessoa Física - IRPF..."

4 From the text (in Portuguese): "...para inclusão ou exclusão de nome social de pessoa travesti ou transexual, mediante solicitação do interessado..."

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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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