KPMG

Taxation of international executives: Brazil

May 2026

Contents

1	Overview and Introduction	4
2	Income Tax	6
3	Special considerations for short-term assignments	18
4	Other taxes and levies	20
5	Immigration	24

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01

Overview and Introduction

1 Overview and Introduction

Foreign nationals are subject to Brazilian income tax on their worldwide income once they become residents in Brazil for tax purposes.

A foreign national that is a Non-resident for tax purposes in Brazil is not subject to income taxation on earnings received outside Brazil, although their income received from Brazilian sources/ Brazilian paying sources (e.g., Brazilian employer, rental income from properties located in Brazil; bank accounts/investments located in Brazil, etc.), might be subject to withholding taxation.

For the tax residents, the individual income taxes are due monthly. Remuneration received from Brazilian employers is subject to withholding taxation. Thus, individuals who have a Brazilian employer as their only source of taxable income for a tax year may not have further tax liabilities when the annual income tax return is filed, providing that the taxes were withheld properly by their employer. However, these individuals may be entitled to certain deductions, which could be claimed on their annual tax return, in which case they may be entitled to a tax refund after filing the annual tax return.

Income received from foreign sources by tax residents in Brazil must be reported to the authorities by the taxpayers and the taxes due paid by the last working day of the subsequent month of which the income was received ('self-assessment' system known as "Carnê-Leão"). All income received abroad is subject to the progressive tax rate table, which ranges from 0% up to 27.5%, exceptions are made in relation to income derived from foreign held investment assets, after enactment of Law 14,754/2023, that is in force for facts occurred as from January 1st, 2024.

The official currency of Brazil is the Brazilian Real (BRL).

Herein, the host country/jurisdiction refers to the country/jurisdiction to which the employee is assigned. The home country/jurisdiction refers to the country/jurisdiction where the assignee lives when they are not on assignment.

02

Income tax

2 Income Tax

2.1 Tax returns and compliance

What are the compliance requirements for tax returns in Brazil?

The eligible taxpayers are required to file their annual tax return by the last working day of May. There is no provision for an individual to obtain an extension of time for filing the return. Late filed returns are subject to penalties and interest. Any tax balance due resulting from the annual tax return must be paid before the applicable deadline (last working day of May). However, the taxpayer is given the option to pay the balance in monthly consecutive instalments (usually 8 instalments), provided each instalment is not lesser than BRL 50.00, subject to interest charges, beginning on first business day after the final filing date.

Residents

The following individuals are considered as resident taxpayers:

- naturalized foreigners living in Brazil
- foreigners, holders of permanent* visa, as from their arrival date in Brazil
- foreigners, holders of temporary visa with a local employment contract, as from their date of arrival in Brazil
- foreigners, holders of temporary visa without a local employment contract, after completing 183 days of stay in Brazil, consecutives or not, counted within any 12-month period.

*Technically, current Brazilian immigration legislation no longer provides for the use of the name 'permanent visa'. Instead, the current nomenclature considers 'indefinite term visa' and the stated provision should be considered for the updated nomenclature.

Resident taxpayers are subject to income taxation in Brazil on their worldwide (global) income, monthly.

Resident taxpayers are required to pay monthly income tax (a process called “Carnê-Leão”) on their income that was not subject to withholding tax by other local sources. Generally, it means foreign employment income or rental income, and even earnings received from other individuals in Brazil. This tax is also calculated based on progressive tax rates: 0 percent, 7.5 percent, 15 percent, 22.5 percent and 27.5 percent. The tax payment must be done by the last business day of the following month.

As from January 1st, 2024, individuals who are tax residents in Brazil and receive interest and dividends from foreign-held assets abroad will only have to pay taxes annually, on their annual tax return, which must be filed between by the last business day of May of the subsequent year. Tax rate is 15 percent.

Annual Central Bank of Brazil Report – Declaration of Brazilian Assets Held Abroad (“CBE”): all tax residents of Brazil owning assets abroad have to inform to the Central Bank of Brazil of these holdings, providing that their total value on 31 December is equal or higher than USD 1,000,000 (one million US dollars) or the equivalent in other currencies. The Annual Central Bank of Brazil Report must include all assets held outside of Brazil as of 31 December and be filed annually. There are no tax implications from this Report, but the authorities can impose penalties of up to BRL 250,000 in cases where assets are not reported or misreported.

Non-residents

It is considered as Non-resident taxpayers:

- individuals who leave Brazil on a permanent basis (immediately, if leaving with the intention to remain abroad for more than 12 months; or, when leaving the country temporarily, as from the day after completing 12 months outside Brazil).
- foreigners holding a temporary visa without an employment contract with a local company before completing 183 days of physical presence in Brazil, counted within any 12-month period.

During this period of when the taxpayer is considered as Non-resident, Brazilian-sourced employment income (Brazil's sourcing rules are determined based on the location of the payer), if any, is subject to withholding tax system at the flat rate of 25 percent (no deductions are allowed), exclusively at the source.

Foreign income is tax-exempt. Taxpayers in this condition are not required to complete and file a Brazil annual income tax return.

The 25 percent income tax payment is to be withheld by the local payer of the income through the code '0473' – for Income Tax on Non-resident's income. Tax treaties can help avoiding double taxation and should be analysed individually, since there may be the possibility of suspending tax withholdings on the Brazilian payroll.

Yearly, the company must provide a Brazilian wage statement to foreigners, which will be included on the tax departure process, when they are leaving Brazil and ceasing their tax residence.

Communication of Departure & Departure Income Tax Return

The Communication of Departure can be submitted as from the departure date of Brazil until the last day of February of the following year, and it aims to notify the Brazilian Tax Authorities (RFB) that the taxpayer is leaving Brazil on permanent basis.

The Departure Income Tax Return, whose deadline is by the last working day of May of the subsequent year, is similar to an annual tax return, but it refers only to the period of the tax year when the individual was tax resident in Brazil, and it aims to cease the tax residence in Brazil.

2.2 Tax rates

What are the current income tax rates for residents and Non-residents in Brazil?

Residents

Net taxable income is taxed at graduated rates ranging from 0 percent to 27.5 percent for resident taxpayers. As from January 2026, Brazilian monthly individual income tax continues to be calculated under the progressive tax table; however, Law 15,270/2025 introduces a tax reduction mechanism that fully exempts monthly taxable income of up to BRL 5,000, regardless of the progressive rates. In practice, although the progressive table still applies nominal rates of 0%, 7.5%, 15.0%, 22.5% and 27.5%, the tax calculated for individuals with taxable income up to BRL 5,000 is entirely offset by a tax reduction, resulting in no tax due. For monthly taxable income above BRL 5,000 and up to BRL 7,350, the tax is calculated using the 27.5% marginal rate, but a partial tax reduction applies. This reduction ensures a smooth transition from full exemption to full taxation, preventing a sudden tax burden increase. For monthly taxable income exceeding BRL 7,350, the reduction is fully exhausted (reduced to zero), and the tax payable corresponds to the standard calculation and progressive rates (0%, 7.5%, 15.0%, 22.5% and 27.5%).

Monthly income tax table for 2026, in Brazilian real (BRL)

Taxable Basis	Applied Tax Rate	Deduction from result (to make it progressive)	Tax Reduction (Law 15,270/25)	Tax Due

Up to BRL 2.428,80	0,00%	-	up to BRL 312,89, until the tax due is reduced totally to zero	= BRL 0,00
From BRL 2.428,81 to BRL 2.826,65	7,50%	BRL 182,16		
From BRL 2.826,66 to BRL 3.751,05	15,00%	BRL 394,16		
From BRL 3.751,06 to BRL 4.664,68	22,50%	BRL 675,49		
From BRL 4.664,68 to BRL 5.000,00	27,50%	BRL 908,73		
From BRL 5.000,01 to BRL 7.350,00	27,50%	BRL 908,73	BRL 978,62 ***minus*** (0,133145 ***times*** total taxable income)	= ((total taxable income ***times*** 27,5%) ***minus*** BRL 908,73)) ***minus*** ((BRL 978,62 ***minus*** (0,133145 ***times*** total taxable income)))
Above BRL 7.350,00	27,50%	BRL 908,73	BRL 0,00	= (total taxable income ***times*** 27,5%) ***minus*** BRL 908,73

Non-residents

For employment income, the 25 percent income tax payment is to be withheld by the local payer of the income (e.g., Brazilian employer)

Income received from sources located outside Brazil is tax-exempt.

2.3 Residence rules

For the purposes of taxation, how is an individual defined as a resident of Brazil?

Foreigners are taxed in Brazil according to their visa (work permit) category. In this regard, please note that foreign holders of a Business Visa (which is not a work permit) are not allowed to work in Brazil, but only to have meetings, participate in seminars, meet customers and suppliers, prospect the local market, and so on—but not to perform any remunerated activities.

So, the only appropriate visa categories that are allowed to work in Brazil on a regular basis are:

- permanent* visa
- temporary visa (2-year visa) with an employment contract with a local company
- temporary visa (2-year visa) without an employment contract with a local company, under the umbrella of a Technical Assistance Agreement existing between a Brazilian company and a foreign company.

The following individuals are residents for Brazilian tax purposes:

- Brazilian citizens living in Brazil

- Brazilian residents living abroad for the first 12 months subsequent to their departure, in cases where the taxpayer did not file the complete departure process (Communication of Departure and Departure Income Tax Return).
- naturalized foreign nationals
- foreign national holders of permanent* visas and holders of temporary work visas under an employment contract with a Brazilian entity as of the date of entry to Brazil with such visa
- holders of temporary visas without an employment contract with a Brazilian entity after completing 183 days of actual physical presence in Brazil within any 12-month period.

A foreign national who enters Brazil with a permanent* visa is a resident for tax purposes from the day of arrival and therefore, is subject to tax on their worldwide income. The holder of a temporary work visa is also considered to be a resident for tax purposes from the day of arrival if they have an employment relationship with a Brazilian entity. If there is no employment relationship with a Brazilian entity, the holder of a temporary work visa will be considered a resident for tax purposes after the 183rd day of physical presence in Brazil within a 12-month period, beginning on the date of arrival or on obtaining a permanent visa, if this precedes the 183 days of physical presence.

*Technically, current Brazilian immigration legislation no longer provides for the use of the name 'permanent visa'. Instead, the current nomenclature considers 'indefinite term visa' and the stated provision should be considered for the updated nomenclature.

What if the assignee enters the country/jurisdiction before their assignment begins?

The rules provided in the previous section (related to visa/immigration documents) should be followed.

2.4 Termination of residence

Are there any tax compliance requirements when leaving Brazil?

Upon leaving Brazil, taxpayers must cease tax residency, by completing a tax departure process. The tax departure process involves the preparation and filing of a Communication of Departure and a Departure income tax return. Any returns or outstanding balances from prior years must also be filed and paid. As a result of a failure to complete the tax departure process, the individual will be regarded as a resident for income tax purposes during the first 12 months of absence and continue to be taxed on their worldwide income.

The Communication of Departure can be submitted as from the departure date of Brazil until the last day of February of the following year, and it aims to notify the RFB that the taxpayer is leaving Brazil on permanent basis.

The Departure Income Tax Return, whose deadline is by the last working day of May of the subsequent year, is similar to an annual tax return, but it refers only to the period of the tax year when the individual was tax resident in Brazil, and it aims to cease the tax residence in Brazil.

2.5 Types of taxable compensation

What categories are subject to income tax in general situations?

The following compensation components are taxable:

- base salary, including salary paid outside Brazil
- cost-of-living allowance
- housing allowance
- reimbursement of home- or host-country/jurisdiction taxes

- education allowance
- home leave, in certain situations
- auto allowance
- interest on below-market-rate loans
- some fringe benefits,
- in certain situations, other benefits should also be analysed

Additionally, some personal income may also be subject to taxation in Brazil, such as interests and dividends on foreign investments, and rental income.

2.6 Intra-group statutory directors

Will a Non-resident of Brazil who, as part of their employment within a group company, is also appointed as a statutory director (i.e., member of the Board of Directors in a group company situated in Brazil) trigger a personal tax liability in Brazil, even though no separate director's fee/remuneration is paid for their duties as a board member?

The taxation will depend on the individual's immigration/visa documentation and/or presence in Brazil, as previously explained.

1 Will the taxation be triggered irrespective of whether the board member is physically present at the board meetings in Brazil?

Yes, the taxation will depend on the individual's immigration/visa documentation and/or presence in Brazil, as previously explained.

2 Will the answer be different if the cost directly or indirectly is charged to/allocated to the company situated in Brazil (i.e., as a general management fee where the duties rendered as a board member is included)?

Should the income be paid/borne by a Brazilian source, it is subject to withholding taxation and reporting by the local entity (based on the applicable tax rate to the individual – if tax resident or not).

3 In the case that a tax liability is triggered, how will the taxable income be determined?

For income paid/borne by a Brazilian source, it is subject to withholding taxation and reporting by the local entity (based on the applicable tax rate to the individual – if tax resident, up to 27.5%; and if non tax resident, 25% flat). Tax treaties should be analysed individually.

For income paid/borne by non-Brazilian sources, and received by tax residents in Brazil, these earnings would be subject to taxation via monthly income taxes ("Carnê-Leão") and following the tax residents progressive tax rates (up to 27.5%).

For income paid/borne by non-Brazilian sources, and received by non tax residents in Brazil, these earnings would be tax-exempt in Brazil.

2.7 Tax-exempt income

There are some cases in which the income can be considered as tax-exempt in Brazil, for example:

- Income received outside Brazil by non-tax residents in Brazil.
- Income exempt by a Double Tax Treaty provision.

- Distribution of dividends by Brazilian companies, limited to BRL 50,000/month per entity, as from 1st January 2026.
- FGTS withdrawal.
- Interests and withdraws from savings accounts in Brazil.

2.8 Expatriate concessions

Are there any concessions made for expatriates in Brazil?

There is no special tax concession granted to expatriates.

2.9 Salary earned from working abroad

Is salary earned from working abroad taxed in Brazil? If so, how?

A resident is taxed on remuneration paid outside Brazil whereas a Non-resident is not subject to tax on remuneration paid to them outside Brazil.

2.10 Taxation of investment income and capital gains

Are investment income and capital gains taxed in Brazil? If so, how?

Financial investment income (dividend, interest paid, premium etc.) from sources outside Brazil is subject to a flat 15% rate and the tax is required to be paid by the last working day of May of the following year, together with the tax return delivery. Due to a new tax Law in Brazil valid for facts occurred as from January 1st, 2024, the taxation of income arising from investments held outside Brazil occurs on an annual basis within the annual tax return delivery in Brazil, but separately from other foreign income such as employment income received outside Brazil for instance. The law 14,754/2023 included an exemplificative list of financial investments, such as fixed income investments, insurances, crypto, non-controlled funds, credits and stocks, among others. The tax rate was adjusted into a fixed rate of 15%, without the possibility of tax deductions. Taxation upon year of redemption, amortization, liquidation, sale or maturity of financial investments. Important to say that it will be possible to offset the federal foreign income tax paid, as applicable and given some legal requirements are met. The foreign investment losses can be set against profits. It is strongly recommended to seek specialized assistance in Brazil to correctly calculate capital gains and report foreign sourced income and assets. Taxation of foreign exchange variation (capital gain) on financial investments will only occur at the time of redemption (partial or total) of the investment.

As from January 2026, based on Law 15,270/2025, there is a 10% tax on the distribution of dividends by Brazilian companies if above BRL 50,000/month per entity/company;

Brazilian interest income is generally taxed and withheld at the source. However, interest earned on Brazilian savings accounts is tax exempt.

Rental income, and Real Estate capital gains

Rental income is subject to taxation. The taxpayer can deduct from gross rental income the taxes paid on the rental property (“IPTU”), the rent paid on property being subleased, and maintenance and collection expenses. This income is subject to monthly taxation (“Carnê-Leão”) on the progressive tax rates – up to 27.5%.

Real estate capital gains are subject to a withholding tax from 15 up to 22.5 percent rate. For tax residents in Brazil, the amount of the gain is reduced by 5 percent for each year the property was held prior to 1989. Provided a similar transaction has not occurred within the previous 5 years, an individual who sells their personal residence in Brazil for a sale price not over BRL440,000 and who owns no other real estate, is

exempt from tax on the gain. Additionally, income tax exemptions for individuals are granted for certain capital gains arising from the sale of residential real estate. To guarantee the exemption, an individual must use the amount received in the transaction to acquire a new residential real estate, within a 180-day period after the first real estate property was sold. The benefit could only be granted once within a 5-year period (Law 11.196 – Article 38).

Capital Gains on selling shares/stocks held in Brazil and other assets

Gains from the sale of stock on a Brazilian stock exchange, or comparable institutions, are subject to variable income taxation. In this case, losses may be offset from gains incurred within the same month or subsequent months. Gains received from sales of stocks on the Brazilian stock exchange will be treated as variable income and will be taxed at a flat 15% rate for common sales and at a flat 20% rate for day-trade transactions. All net gains realized from the sale of stocks and gold on the Brazilian stock exchange markets will be tax exempt, if the total sales are equal to or less than BRL 20,000 per month for Brazilian stocks (common sales only, as there is no exemption allowed for day-trade operations), and or BRL35,000 per month for other assets.

Capital gains from shares/stocks from Brazilian Companies, not sold on a Brazilian stock exchange market, but traded in Brazil, are subject to a tax rate of 15 percent (for profits up to BRL 5 million and, above that, it will be progressively taxed up to 22.5%) if the total proceeds from all the monthly sales exceed BRL35,000. Capital losses from such sales may not be used to offset capital gains.

The corresponding tax on all capital gains must be paid by the last working day of the following month. However, Non-residents that realize capital gains in Brazil must pay the tax on the date of the sale.

Capital gains on the sale of all other personal property either held inside or outside of Brazil, are subject to a tax rate of 15 percent (for profits up to BRL 5 million and, above that, it will be progressively taxed up to 22.5%) if the total proceeds from all the monthly sales exceed BRL35,000.

Foreign exchange gains and losses

As from January 2024, based on Law 14,754/2023, the foreign exchange gains on assets held abroad are now included in the taxable base when calculating the financial investment income and capital gains.

Principal residence gains and losses

Real estate capital gains are subject to a withholding tax from 15 up to 22.5 percent rate. For tax residents in Brazil, the amount of the gain is reduced by 5 percent for each year the property was held prior to 1989. Provided a similar transaction has not occurred within the previous 5 years, an individual who sells their personal residence for a sale price not over BRL440,000 and who owns no other real estate, is exempt from tax on the gain. Additionally, income tax exemptions for individuals are granted for certain capital gains arising from the sale of residential real estate. To receive the exemption, an individual must use the amount received in the transaction to acquire a new residential real estate, within a 180-day period after the first real estate property was sold. The benefit could only be granted once within a 5-year period (Law 11.196 – Article 38).

Capital losses

As from January 2024, based on Law 14,754/2023, capital losses could be considered when calculating the financial investment income and capital gains.

Personal use items

Information is not available.

Gifts

Information is not available.

2.11 Additional capital gains tax (CGT) issues and exceptions

Are there additional capital gains tax (CGT) issues in Brazil? If so, please discuss?

Information is not available.

Pre-CGT assets

Information is not available.

Deemed disposal and acquisition

Information is not available.

2.12 General deductions for income

What are the general deductions from income allowed in Brazil?

FY 2025

Resident taxpayers are entitled to claim dependents as a deduction, in an annual amount of BRL 2.275,08 per dependent. As per the Brazilian tax legislation, the following can be considered as tax dependents:

- Children or stepchildren up to 21 years of age, or any age if physically or mentally unable to work.
- Children or stepchildren between 21 and 24 years of age that are studying at a university or technical school.
- partner with whom the taxpayer has a child or has lived for more than 5 years, or a legal spouse.
- A minor (up to 21 years of age) for whom the taxpayer is the legal guardian and whom the taxpayer sustains economically.
- A sibling, grandchild, or great grandchild up to 21 years of age or any age when physically or mentally unable to work, provided the individual is not sustained by their parents, the taxpayer is the legal guardian and whom the taxpayer sustains economically.
- Parents, grandparents, or great grandparents, who's annual income, taxable or not, does not exceed BRL 24,511.92 and who are sustained economically by the taxpayer.
- A father- or mother-in-law, who's annual income, taxable or not, does not exceed BRL 26.963,20. These individuals can only be claimed as dependents if the taxpayer's spouse has a filing requirement in Brazil (that is, the spouse has income greater than BRL 26.963,20 and files a separate income tax return or jointly with the taxpayer. The deduction will be taken by the spouse if a separate return is filed or by the taxpayer if a joint return is filed.
- A totally incapacitated individual for whom the taxpayer is the legal guardian or court- appointed administrator.

All dependents must have valid CPF numbers (Brazil taxpayer number) for tax deduction matters.

Note: Even if the dependents do not live in Brazil, the taxpayer is entitled to claim a deduction for them as dependents on the Brazilian individual income tax return, providing they have valid CPF numbers (Brazil taxpayer number).

Payments of alimony and child support by the taxpayer pursuant to a Brazilian court decision are deductible for tax purposes by the taxpayer and must be included as exempt income by the recipient.

Amounts paid by the taxpayer to Brazilian domiciled private pension plans (PGBL) are deductible for purposes of the monthly tax calculation and on the annual income tax return, limited to 12 percent of gross income.

Un-reimbursed medical expenses incurred by the taxpayer on their own behalf or in respect of treatment received by a dependent are deductible on the annual income tax return.

Pension income from Brazilian government plans received by individuals 65 years of age or older is not taxable up to a prescribed limit. The current limit is BRL1,903.98 per month, also valid for the 13th salary.

Education expenses for the taxpayer or their dependents are deductible up to a prescribed amount. Currently the annual limit is BRL 3,561.50 per student.

2.13 Tax reimbursement methods

What are the tax reimbursement methods generally used by employers in Brazil?

A tax refund administrative process can be claimed by individuals or corporates' taxpayers – called "PER/DCOMP".

2.14 Calculation of estimates/prepayments/withholding

How are estimates/prepayments/withholding of tax handled in Brazil? For example, Pay-As- You-Earn (PAYE), Pay-As-You-Go (PAYG), and so on.

Pay-as-you-go (PAYG) withholding

It is a Pay-as-you-go system, being the income taxation on the employment income withheld by the company monthly.

PAYG instalments

Not applicable.

When are estimates/prepayments/withholding of tax due in Brazil? For example: monthly, annually, both, and so on.

Income taxes are due monthly.

2.15 Relief for foreign taxes

Is there any Relief for Foreign Taxes in Brazil? For example, a foreign tax credit (FTC) system, double taxation treaties, and so on?

A foreign tax credit mechanism exists in Brazil whereby taxpayers may receive a unilateral credit against Brazilian income tax for foreign taxes paid on non-Brazilian-sourced income. The foreign tax credit is allowed for taxes levied in countries/jurisdictions with which Brazil has an income tax treaty in effect or for taxes levied by countries/jurisdictions whose legislation grants reciprocal treatment to Brazilian-source income and taxes. The foreign tax credit may not exceed the difference between the Brazilian income tax calculated without the foreign income and the Brazilian income tax calculated on a taxable base that includes foreign income.

Brazil currently has tax treaties with 37 countries/jurisdictions for the purpose of reducing or eliminating double taxation.

2.16 General tax credits

What are the general tax credits that may be claimed in Brazil? Please list below.

Only Federal Income Taxes are usually accepted as tax credits.

2.17 Sample tax calculation

- All earned income is attributable to local sources.
- The employee is deemed resident throughout the 2026 tax year.
- Tax treaties and totalization agreements are ignored for the purpose of this calculation.

Calculation of taxable income

Year-ended	2026 BRL
Days in Brazil during year	365
Earned income subject to income tax	
Total taxable income	259,200
Deductions	0
Total taxable income	259,200

Calculation of tax liability

	2026 BRL
Taxable income as above	259,200
Brazilian tax deductions (standard deduction)	17,640,00
Less:	
Domestic tax rebates (dependent spouse rebate)	0
Foreign tax credits	0
Total Brazilian tax	55,575.22

03

Special considerations for short term assignments

3 Special considerations for short-term assignments

For the purposes of this publication, a short-term assignment is defined as an assignment that lasts for less than 1 year.

3.1 Residency Rules

Are there special residency considerations for short-term assignments?

Tax residency in Brazil depends on the immigration status/ visa held by the individual, and/or by the number of days of physical presence in Brazil.

3.2 Payroll considerations

Are there special payroll considerations for short-term assignments?

Payroll obligations will depend on the immigration status/ visa held by the individual, and the contractual arrangement.

3.3 Taxable income

What income will be taxed during short-term assignments?

If tax resident – worldwide income will be subject to taxation. If non tax resident – only the income received from Brazilian sources would be subject to taxation.

3.4 Additional considerations

Are there any additional considerations that should be considered before initiating a short- term assignment in Brazil?

It is important to apply for a proper Visa, based on the intentions of stay in Brazil and contractual arrangement.

04

Other taxes and levies

4 Other taxes and levies

4.1 Social security tax

Are there social security/social insurance taxes in Brazil? If so, what are the rates for employers and employees?

Any employee on a Brazilian payroll is subject to social security contributions. According to the current legislation, the monthly social security contribution in Brazil ('INSS') is due on the totality of the remuneration, at progressive rates ranging from 7.5 percent up to 14 percent, with a contribution cap of BRL 988.09/month for the employee contribution (valid for 2026). The rate can range from 20 percent to 28.8 percent (no cap) for the employer contributions (social security + other social charges) over the gross compensation paid to the employee. Additionally, there is an 8 percent contribution due by the employer over the gross compensation paid to the employee, which represents the Brazilian Government Severance Indemnity Fund for Employees ("FGTS").

Employer and employee (for tax year 2026)

	Paid by employer	Paid by employee	Total
Social security + other social charges	20.0% - 28.8%	Progressive rates: 7.5%, 9%, 12% and 14%, with cap (BRL 988.09)	Varies
Severance indemnity - FGTS	8.0%	None	8.0%

4.2 Gift, wealth, estate, and/or inheritance tax

Are there any gift, wealth, estate, and/or inheritance taxes in Brazil?

Wealth taxes

A wealth statement does presently form part of the individual income tax return, although there are no wealthy taxes currently due in Brazil.

Inheritance and gift taxes

There are no income taxes, but there could be inheritance and gits state taxes, called "ITCMD." Tax rate will depend on which State the donator is domiciled, but it may vary from 0 to 8%. Under certain circumstances a portion of the inheritance or gift may be exempt from tax.

4.3 Real estate tax

Are there real estate taxes in Brazil?

Individuals owning real state in Brazil are subject to real estate taxes (called "IPTU") [2]. This is a municipal tax calculated on value of each property as assessed by the authorities. Usually, the tax is calculated considering the location and size of the property that can be land, house, apartments, business offices, and so on.

4.4 Sales/VAT tax

Are there sales and/or value-added taxes in Brazil?

There are no single sales or VAT taxes in Brazil. There are several corporate taxes applied on products and services, which would be usually included in the prices of acquisition.

4.5 Unemployment tax

Are there unemployment taxes in Brazil?

There is no unemployment tax in Brazil.

4.6 Other taxes

Are there additional taxes in Brazil that may be relevant to the general assignee? For example, customs tax, excise tax, stamp tax, and so on.

With the advent of tax reform, the taxes will be altered and it is important to conduct a detailed analysis at the appropriate time

4.7 Local taxes

Individuals owning real state in Brazil are subject to real estate taxes (called “IPTU”).

05
Immigration

5 Immigration

Following is an overview of the concept of BRAZIL's immigration system for skilled labor.

(E.g., which steps are required, authorities involved, in-country/jurisdiction and foreign consular processes, review/draft flow chart illustrating the process)

Brazil, historically, is considered a country/jurisdiction that receives cordially people from all over the world, whether for the sole purpose of doing tourism, whether of permanent immigration, or to work temporarily.

This summary provides basic information regarding Visitor Visas (Tourism/ Business) to, and resident permit (work for example) for, Brazil. The information is of a general nature and should not be relied upon as legal advice.

Brazil adopts a policy of reciprocity regarding visas. This means that nationals of countries/jurisdictions that require visas for Brazilian citizens will need a visa to travel to Brazil. According to the Brazilian law, Brazil must agree, on a reciprocal basis, to offer visa waiver to nationals of another country/jurisdiction. Brazil has signed visa exemption agreements with about 90 countries/jurisdictions.

Itamaraty (the Ministry of Foreign Affairs) is the body of the Brazilian government responsible for granting visas, which occurs through the Embassies, General Consulates, Consulates and Vice consulates of Brazil abroad. Take note that the Brazilian visa will never be granted at the entrance in Brazilian territory. Therefore, it is not possible to obtain your visa in airports, ports of entry or any other point of the Brazilian border. Itamaraty and the Federal Police (agency responsible for immigration control in Brazilian borders) cannot and will not authorize the entry of foreign nationals who do not have the proper visa.

If the foreigner is already in Brazilian territory and wishes to extend their stay or obtain a residence permit, they must refer to the Ministry of Justice or the Federal Police, if said authorization is for instance for work or research purposes.

5.1 International Business Travel/Short-Term Assignments

Describe (a) which nationalities may enter Brazil as non-visa national, (b) which activities they may perform and (c) the maximum length of stay.

If a Visa waiver national visits Brazil as either tourists or business visitors, they can enter Brazil as tourists or business visitors using their passports for up to 90 days within 180 days rolling period.

Overview of visa exemptions for entry into Brazil:

http://www.portalconsular.itamaraty.gov.br/images/qgrv/QGRV-simples-port-140120.pdf :

Visit visas can be granted for those traveling for tourism, business, transit, artistic or sports activities, study, volunteer work, or to attend to conferences, seminars, or meetings, among other purposes - provided there is no remuneration in Brazil and the stay does not exceed 90 days.

Business visitors are generally prohibited from engaging in productive employment activities that are an extension of professional activities.

Describe (a) the regulatory framework for business traveller being visa nationals (especially the applicable visa type), (b) which activities they may perform under this visa type and the (c) maximum length of stay.

Visa nationals (Chinese nationals, for example) are required to obtain a “prior authorization” – Visa- to be able to enter Brazil for business visitor activities. The Business Visa is typically issued for multiple entries. Although circumstances may vary, a business visitor may receive authorization to visit Brazil for up to 90 days within a 180-day rolling period – this will depend on each nationality.

Business Visa are eligible for in-country/jurisdiction extension – however it would depend on each nationality the eligibility.

The application for the Business Visa must be filed at the Brazilian embassy/consulate in the respective country/jurisdiction of residence in order to be allowed to enter Brazil for up to 90 days within 180 days rolling period.

In regard to the permitted activities and permitted duration of stay, please see answers to question 2.

Citizens from the following countries/jurisdictions must request a business visa for business trips to Brazil:

Afghanistan — Akrotiri and Dekelia —Algeria —Angola —Azerbaijan —Bahrain — Bangladesh — Benin — Bhutan — Botswana — Brunei — Burkina Faso — Burundi — Cambodia — Cameroon — Cape Verde — Central African Republic — Chad — China — Comoros — Congo — Congo Democratic Republic — Cuba — Djibouti — Dominica — Dominican Republic — Egypt — Equatorial Guinea — Eritrea — Ethiopia —Gabon — Gambia —Ghana —Guinea-Bissau — Haiti — India — Indonesia — Iran — Iraq — Ivory Coast —Jordan — Kazakhstan — Kenya — Kiribati — Korea North — Kosovo — Kuwait — Kyrgyzstan — Laos — Lebanon — Lesotho — Liberia — Libya —Madagascar — Malawi — Maldives — Mali — Martinique — Mauritania — Mauritius — Micronesia — Moldova —Montserrat — Mozambique —Nauru — Nepal —Niger — Nigeria — Oman — Pakistan — Palestine —Papua New Guinea —Republic of Palau — Rwanda —Saint Lucia —Samoa — Sao Tome and Principe — Saudi Arabia — Senegal —Sierra Leone — Singapore — Solomon Islands — Somalia — South Sudan — Sri Lanka — Sudan — Swaziland — Syria — Taiwan — Tajikistan — Tanzania — Timor-Leste — Togo — Tonga — Turkmenistan — Tuvalu — Uganda —Uzbekistan — Vanuatu — Vietnam — Yemen — Zambia — Zimbabwe

Outline the process for obtaining the visa type(s) named above and describe (a) the required documents (including any legalization or translation requirements), (b) process steps, (c) processing time and (d) location of application.

1 Document gathering (1-2 weeks)

2 Book visa appointment at the Brazilian embassy/ consulate at the place of residence (1 day)

3 Prepare Visa application (1-2 days)

4 File Visa application with the Brazilian embassy/ consulate at the place of residence (5-10 business days)

5 Obtain Visa and travel to Brazil (1 day)

GENERAL REQUIREMENTS FOR BUSINESS VISITORS

Documents needs to be provided either in Portuguese or in English

- Passport. The passport must be valid for at least 6 months at the time of the scheduled arrival in Brazil.
- Application protocol. (see link, "Visa Application Form" https://formulario-mre.serpro.gov.br/sci/pages/web/pacomPasesWebInicial.jsf).
- A passport photo format 3x4 cm.
- Proof of income. The applicant must provide proof of sufficient funds to cover the living expenses during their stay in Brazil. Acceptable proof:
  - The last three pay slips; AND

- A bank statement from the last 3 months in the applicant's name

Note well:

- A credit card or credit card statement is not considered as sufficient proof.
- It´s recommended to have an international travel- and health insurance for your trip.
- A letter from the employer (Letterhead in German OR English OR Portuguese OR Spanish) addressed to the Consulate-General, including the following data: (if necessary, the applicant may be asked to submit additional information):
  - Company name
  - Name and function of the employee Length of employment
  - Identification of the work to be performed in Brazil Length of the stay
  - Assurance that no technical activities are carried out in Brazil
- Round-trip-ticket. Applicants must present one of the following items:
- A copy of the round-trip-ticket, e-ticket or e-booking.
- A signed letter from the airline or travel agent, on their letterhead, with the itinerary, name(s) of the passenger(s), flight number or cruise information, and dates of arrival and departure from Brazil.
- Fees: Visa Fees may vary from consulate to consulate

Are there any visa waiver programs or specific visa categories for technical support staff on short-term assignments?

No, Brazil does not have a visa waiver program for short-term assignments - technical support activities – in this case, it is necessary to obtain a specific Technical Visa before Ministry of Labor or directly at the Consulate – depending on the case.

5.2 Long-Term Assignments

What are the main work permit categories for long-term assignments to Brazil? In this context outline whether a local employment contract is required for the specific permit type.

Residence Permit - Local Employment (RN 02)

The RN02 allows the individual to apply for a Temporary Entry Visa, for employment at the Brazilian Consulate abroad. The Consular process is optional for the employee. Alternatively, it allows the employee to apply the in-country/jurisdiction process and proceed with the registration at the Federal Police Department in Brazil within 30 days of approval.

In order to apply for this visa (RN 02), a local Brazilian contract must be mutually signed by the local representation in Brazil and the employee and then submitted to the Ministry of Justice

Residence Permit - Board of Directors representation (RN 11)

The RN11 allows the individual to apply for an Indefinite Term Visa. The Consular process is optional for the employee. Alternatively, it allows the employee to apply the in-country/jurisdiction process and proceed with the registration at the Federal Police Department in Brazil within 30 days of approval.

It is optional for the company/employee if a local work contract is concluded. This contract cannot be replaced by a home company delegation contract or a delegation letter.

Provide a general process overview to obtain a work and residence permit for long- term assignments (including processing times and maximum validation of the permit).

Obtaining a prior resident permit in Brazil:

Depending on the contractual set-up and the exact activities to be performed under the assignment /employment in Brazil, a prior residence permit application for the specific purpose (e.g., local employment or technical assistance etc.) must be filed with the Ministry Of (henceforth MJ) Justice in Brazil on behalf of the company / employee; this procedure is required for all of the above- mentioned long-term titles. This process usually takes around 30-45 calendar days from the day of submission. To process this accordingly, the MJ might request the amendment of the application and usually the submission of additional documents. If this is not provided, the MJ may either offer to submit the required additional documents again or deny the application. In case of denial, a new application must be filed. Once the corresponding prior resident permit has been approved by the MJ, the approval will be entered into an internal governmental system and transferred to the responsible Brazilian consulate/embassy in the country/jurisdiction of residence. Once the approval has been received by the Brazilian consulate / embassy, the employee can proceed with the Consular process as described under Step 2 to obtain the work visa.

Validation of the permit:

- Prior resident permit with local work contract: will be valid for 2 years and can be extended/ renewed for the employer for an indefinite term.
- Prior resident permit for legal representative: the validity will depend on the period that was indicated for the position in the so-called “minutes of nomination” – extension allowed; will depend on the period that was indicated for the position in the “minutes of nomination” – extension allowed.

Is there a minimum salary requirement to obtain a long-term work and residence permit for assignments? Can allowances be taken into account for the salary?

No, there isn´t a rule, but it is important to note that wages must be equivalent to salaries of the professional category in Brazil.

Is there a fast-track process which could expedite the visa/ work permit?

No, currently there is no fast-track option for Brazil, it is necessary to wait for the analysis and approval of the Ministry of Justice.

At what stage is the employee permitted to start working when applying for a long-term work and residence permit (assignees/ local hire)?

Since their entrance in Brazil, it is possible to start working. The company must hire the applicant and register them at the payroll in 30 days of their entrance.

Can a short-term permit/ business visa be transferred to a long-term permit in {BRAZIL}?

Yes, it can. If a person is in Brazil with a Business Visa and a company wants to hire them, it is possible to apply for a visa at Ministry of Justice without leaving Brazil and wait for the approval in the country/jurisdiction. However, this option only allows a permit valid for an initial 1-year period that can be extended afterwards.

Is it possible to renew work and residence permits?

Yes, it is possible, and it is not necessary to leave the country/jurisdiction.

Is there a quota or system or a labor market test in place?

No. It is just necessary to pay attention in the rule that a Brazilian company to hire a foreigner person must have at least 02 Brazilian hired employees for each foreign worker.

5.3 General Immigration Related Questions

Would it be possible to bring family members to Brazil?

Dependents can join the main applicant in almost all types of visas. It is just not possible to join with 180-days Technical Visa and the Professional Training and they will have the same validity as the applicant´s visa. According to Brazilian immigration law, spouses (marriage certificate required) and/ or children under 18 years (birth certificates required) are considered as dependents. Spouses, including same-sex spouses, may accompany employees to Brazil. All the dependents can work in Brazil.

Is it possible to obtain a permanent residence permit?

Generally, one would be eligible to apply for a residence permit for undetermined time after holding a Work and Residence permit for 2 years and prove that the applicant is still at the company that they have come as Director or Employee. Besides that, there are Naturalization's processes to become a Brazilian Citizen.

What if circumstances change after the Work and Residence application process (e.g., change of employment or personal situation, including job title, job role or salary)?

Any change in the term of the employment (e.g., If the applicant is an Employee and, in some years, they become an Administrator of the company) or if the applicant changes the Brazilian company that they have working, it is necessary to apply for a new Work Visa.

How long can a permit holder leave {BRAZIL} without their permit becoming invalid?

If the applicant has a Work or Investor or Administrator Visa, there aren´t Immigrant about the time of leaving the country/jurisdiction. But there are other important points to be verified as: labor and Tax aspects.

Must immigration permissions be cancelled by the end of the assignment/employment?

In case of a termination of the employment before the end of the validity of the permit, the immigration authorities should be informed (Ministry of Justice and Federal Police). When the applicant and dependents leave Brazil, they must give back their RNM (Foreigner ID in Brazil) to the Federal Police.

Are there any penalties for individuals and/or companies in place for non-compliance with immigration law?

Yes, there is. If a foreigner stays illegally in Brazil without visa or without the correct visa, the penalty is BRL100 per exceeded day. Besides that, the penalties are:

Minimum Amount per person: BRL100.00 until BRL10,000.00

Legal Entity: BRL1,000.00 to BRL1,000,000.00.

5.4 Other Important Items

List any other important items to note, or common obstacles faced, in BRAZIL when it comes to the immigration processes.

Below you will find a list of other important items to note and the most common obstacles:

- **There are rules to have a Work Visa related to Education and Experience. For a foreigner that has a Graduation in University, for example, it is necessary to prove 2 years of experience after the graduation.**
- **All the documents to be valid in Brazil must be Apostilled based in Hague Convention or legalized in a Brazilian Consulate abroad.**

- **Translations** – documents from other countries/jurisdictions must be translated in Brazil by a Sworn Translation to be used in the processes here.
- **Birth and Marriage Certificates** –the Authorities in Brazil at the moment of Registration at Federal Police to have the RNM (Foreigner ID) require these documents apostilled or legalized by a Brazilian Consulate.
- **Non-Criminal Records** – the Authorities in Brazil at the moment of Registration at Federal Police to have the RNM (Foreigner ID) require these documents apostilled or legalized by a Brazilian Consulate.
- **Inconsistencies in documentation** – for example if there is a discrepancy in the name of the applicant as shown on their passport, degree or marriage certificates, the authorities may require further supporting documentation.

Back to top

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