

**SUMMARY**

**INSURANCE AND OPEN SUPPLEMENTARY RETIREMENT PLAN**

- 1) [Decree No. 8,925, of 11/30/2016;](#)
- 2) [SUSEP Private Insurance Superintendence Circular No. 542, of 12/6/2016;](#)
- 3) [SUSEP/DICON SUSEP Private Insurance Superintendence/Conduct Supervision Board Electronic Circular Letter No. 001, of 12/15/2016;](#)
- 4) [CNSP National Private Insurance Council Resolution No. 342, of 12/19/2016;](#)
- 5) [SUSEP Statement No. 183, of 12/22/2016;](#)
- 6) [SUSEP Statement No. 184, of 12/22/2016;](#)
- 7) [SUSEP Statement No. 185, of 12/22/2016;](#)
- 8) [SUSEP Circular No. 543, of 12/22/2016;](#)
- 9) [CNSP Resolution No. 343, of 12/26/2016;](#)
- 10) [CNSP Resolution No. 344, of 12/26/2016;](#)
- 11) [SUSEP Circular No. 544, of 12/27/2016;](#)
- 12) [SUSEP Administrative Rules No. 6,782, of 1/16/2017; No. 6,783, of 1/18/2017; and No. 6,784, of 1/18/2017;](#)
- 13) [SUSEP Statement No. 187, of 1/19/2017;](#)
- 14) [SUSEP Circular No. 545, of 1/27/2017;](#)
- 15) [Department of the Treasury - MF Administrative Rule No. 42, of 1/27/2017.](#)

**FINANCIAL MARKET, CAPITAL MARKET AND MISCELLANEOUS**

- 1) [NBC TG/CFC Brazilian Accounting Rule No. 47, of 11/25/2016;](#)
- 2) [NBC TG/CFC Brazilian Accounting Rule No. 48, of 11/25/2016;](#)
- 3) [CGU/AGU Controllershship/Office of the General Counsel for the Federal Government Inter-Ministry Administrative Rule No. 2,278, of 12/15/2016;](#)
- 4) [CCFCVS Trust Board of the Salary Variation Compensation Fund Resolution No. 417, of 12/6/2016;](#)
- 5) [CCFCVS Resolution No. 418, of 12/15/2016;](#)
- 6) [Decree No. 8,945, of 12/27/2016;](#)
- 7) [Department of the Treasury - MF Administrative Rule No. 2, of 1/5/2017;](#)
- 8) [Decree No. 8,953, of 1/10/2017;](#)
- 9) [CONTRAN National Traffic Council Resolution No. 649, of 1/10/2017;](#)
- 10) [BACEN Brazilian Central Bank Circular No. 3,814, of 12/7/2016;](#)
- 11) [BACEN Communication No. 30,283, of 12/30/2016;](#)
- 12) [BACEN Circular No. 3,822, of 1/20/2017;](#)
- 13) [BACEN Circular No. 3,825, of 1/26/2017;](#)
- 14) [BACEN Circular No. 3,827, of 1/30/2017;](#)
- 15) [CMN National Monetary Council Resolution No. 4,550, of 1/26/2017.](#)

## CLOSED SUPPLEMENTARY RETIREMENT PLAN

- 1) [PREVIC Supplementary Pension Plan Superintendence Instruction No. 35, of 12/2/2016;](#)
- 2) [PREVIC Instruction No. 36, of 12/20/2016;](#)
- 3) [PREVIC Administrative Rule No. 50,027, of 12/15/2016;](#)
- 4) [PREVIC/DITEC National Supplementary Social Security Superintendence/Technical Analysis Board Administrative Rule No. 50,028, of 12/15/2016;](#)
- 5) [PREVIC Administrative Rule No. 50,030, of 12/15/2016;](#)
- 6) [PREVIC Instruction No. 1, of 1/5/2017;](#)
- 7) [CNPC National Register of Accounting Experts Administrative Rule No. 20, of 1/13/2017;](#)
- 8) [PREVIC/DIACE National Supplementary Social Security Superintendence/Accounting Matters Board Administrative Rule No. 29, of 1/16/2017;](#)
- 9) [Supplementary Laws 108 and 109 annotated.](#)

## HEALTH

- 1) [NORMATIVE INSTRUCTION – DIFIS No. 14, of 11/11/2016 \(RETICTIFICATION\);](#)
- 2) [CFM Federal Medicine Council Resolution No. 2,151, of 9/30/2016;](#)
- 3) [ANS National Health Agency Administrative Rule No. 34, of 12/16/2016;](#)
- 4) [COFIS General Inspection Coordination Office Executive Declaratory Act No. 100, of 12/21/2016;](#)
- 5) [Ruling Resolution - RN No. 416, of 12/22/2016;](#)
- 6) [Ruling Resolution - RN No. 417, of 12/22/2016;](#)
- 7) [Normative Instruction - IN No. 049, of 12/22/2016;](#)
- 8) [Normative Instruction - IN No. 050, of 12/22/2016;](#)
- 9) [Ruling Resolution - RN No. 419, of 12/26/2016;](#)
- 10) [Ruling Resolution - RN No. 418, of 12/26/2016;](#)
- 11) [DIPRO Normative Instruction No. 51, of 1/27/2017;](#)
- 12) [DIPRO Normative Instruction No. 52, of 1/27/2017;](#)
- 13) [ANS Invitation for Public Hearing No. 5, of 1/27/2017;](#)
- 14) [English Bupa acquires Care Plus.](#)

## TAX

- 1) [Solution of Controversy No. 1, of 1/13/2017;](#)
- 2) [Answer to Inquiry No. 62, of 1/20/2017;](#)
- 3) [Provisional Presidential Decree No. 766, OF 1/4/2017;](#)
- 4) [Decree No. 8,964, of 1/18/2017;](#)
- 5) [RFB Normative Instruction No. 1,679, of 12/27/2016;](#)
- 6) [SRF Normative Instruction No. 1,680, of 12/28/2016;](#)
- 7) [SRF Normative Instruction No. 1,681, of 12/28/2016;](#)
- 8) [SRF Normative Instruction No. 1,682, of 12/28/2016;](#)
- 9) [RFB Normative Instruction No. 1,684, of 12/29/2016;](#)
- 10) [RFB Normative Instruction No. 1,686, of 1/26/2017;](#)
- 11) [RFB Administrative Rule No. 1,714, of 12/22/2016;](#)
- 12) [Executive Declaratory Act No. 93, of 12/12/2016;](#)
- 13) [Answer to Inquiry No. 10,096, of 12/8/2016;](#)

- 14) [Answer to Inquiry No. 30, of 1/16/2017;](#)
- 15) [Answer to Inquiry No. 63, of 1/20/2017;](#)
- 16) [Solution of Controversy No. 3, of 1/20/2017;](#)
- 17) [Answer to Inquiry No. 82, of 1/24/2017.](#)

## INSURANCE AND OPEN SUPPLEMENTARY RETIREMENT PLAN

- 1) DECREE No. 8925, OF 11/30/2016:** amends Decree no. 3937/2001, which regulates Law no. 6704/1979, which addresses Insurance for Credit for Exports.

Some specific modifications were made by this Decree, among them the addition to art. 1 of item III, which brings another group of exports to the list of operations protected by the SCE, with the following wording: "foreign exports of goods and services, provided they are associated with Brazilian exports of goods and services or containing components produced Or services provided by Brazilian companies, with the corresponding risk sharing with foreign export credit agencies, insurers, reinsurers, financial institutions and international organizations, in compliance with the provisions of art. 4 of Law 6,704, of October 26, 1979. "

To check the full modifications brought by the Decree please access [http://www.planalto.gov.br/ccivil\\_03/Ato2015-2018/2016/Decreto/D8925.htm](http://www.planalto.gov.br/ccivil_03/Ato2015-2018/2016/Decreto/D8925.htm).

[BACK TO SUMMARY](#)

- 2) SUSEP CIRCULAR No. 542, OF 12/6/2016:** focuses on the definition of the expression "premium corresponding to each automatic or optional contract," given by par. 4 of art. 14 of CNSP Resolution No. 168/2007, Circular No. 542/2016 has the same text of SUSEP Circular No. 537/2016, their only difference being the case number added to the preamble.

[BACK TO SUMMARY](#)

- 3) SUSEP/DICON ELECTRONIC CIRCULAR LETTER No. 001, OF 12/15/2016:** publication, by the Financial Action Task Force, of two communications identifying the jurisdictions that have strategic deficiencies in the Systems to Prevent Money Laundering and Combat Terrorist Financing.

To check the full text of the communications, translated into Portuguese, please access <http://www.coaf.fazenda.gov.br/links-externos/comunicado-do-gafi-de-21-de-outubro-de-2016> and <http://www.coaf.fazenda.gov.br/links-externos/aprimorando-a-observancia-global-ald-cft-processo-continuo-2013-21-de-outubro-de-2016>.

To read the original versions, please access <http://www.fatf-gafi.org/publications/high-riskandnon-cooperativejurisdictions/documents/public-statement-october-2016.html> e <http://www.fatf-gafi.org/publications/high-riskandnon-cooperativejurisdictions/documents/fatf-compliance-october-2016.html>.

[BACK TO SUMMARY](#)

- 4) CNSP RESOLUTION No. 342, OF 12/19/2016:** amends provisions of CNSP Resolution No. 342/2016, particularly articles 47 and 49, on tariff premiums and their transfer percentages.

The tariff premium amounts set forth in art. 47 were amended as follows:

- i. **Category 1** - private cars: from R\$ 101.10 to R\$ 63.69;
- ii. **Category 2** - taxis and rental cars: from R\$ 101.10 to R\$ 63.69;
- iii. **Category 3** - buses, minibuses and jitney buses: from R \$ 390.84 to R \$ 246.23;

- iv. **Category 4** - micro-buses that charge a fare and jitney buses with capacity not exceeding ten passengers, and buses, minibuses and jitney buses that do not charge a fare: from R\$ 242.33 to R\$ 152.67;
- v. **Category 8** - mopeds: from R\$ 130,00 to R\$ 81,90;
- vi. **Category 9** - motorcycles and scooters: from R\$ 286.75 to R\$ 180.65;
- vii. **Category 10**: from R\$ 105.81 to R\$ 66.66.

In addition, the transferred percentage of the tariff premiums collected, foreseen by art. 49 have been amended as follows:

- i. **SUS**: remained at 45%;
- ii. **DENATRAN**: remained at 5%;
- iii. **Administrative Expenses**: from 4.75% to 5.35%;
- iv. **Profit Margin**: remained at 2%;
- v. **Average brokerage**: from 0.7% to 0.59%;
- vi. **Pure premium**: from 42.55% to 42.06%.

The decision to reduce DPVAT insurance premiums caused perplexity in the market, especially in the DPVAT companies, considering (i) the need for an actuarial balance of the insurance and (ii) the fact that the coverage values have not been increased in almost 10 years (which may become a fragility of this insurance), and they could have been in the hypothesis of having been verified the room for this.

[BACK TO SUMMARY](#)

- 5) SUSEP STATEMENT No. 183, OF 12/22/2016:** regulates the procedures adopted by the Superintendence of Private Insurance (SUSEP) to respond to inquiries.

Among the changes brought by this Statement, in contrast to SUSEP Statement 156, previously in force, we can highlight (i) the change in the maximum deadline for the query response to the querent, which is now extended to 30 days, renewable for the same period once; (ii) the express mention that the consultations dealt within this Statement are not characterized as requests for access to public information and therefore should not be formulated through the service channels of the Citizen Information Service; and (iii) the possibility for the organizational units of the Autarchy to respond directly to the questions asked, provided that the content is restricted to their routine procedures.

The entire Statement can be accessed through the link <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39644>.

[BACK TO SUMMARY](#)

- 6) SUSEP STATEMENT No. 184, OF 12/22/2016:** approves SUSEP Regulation Plan for the year of 2017, pursuant to the Sole Annex to the Resolution, which is available on <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=3&codigo=39645>.

In general, this is a formal document required by the legislation that governs SUSEP's activities.

The document does contain some interesting elements, such as the need to expand the means / channels of distribution of the supervised products and the consolidation of risk-based supervision as part of SUSEP's priorities.

[BACK TO SUMMARY](#)

- 7) SUSEP STATEMENT No. 185, OF 12/22/2016:** addresses rules for Internal Audit of the Superintendence of Private Insurance (SUSEP).

The Resolution provides that the Internal Audit seeks to contribute to the improvement of the internal control implemented at SUSEP, especially as to the practices related to risk management and internal control.

[BACK TO SUMMARY](#)

- 8) SUSEP CIRCULAR No. 543, OF 12/22/2016:** amends SUSEP Circular no. 517/2015, which covers technical provisions; tax bases; accepted coinsurance transactions and other essentially technical topics.

Among the changes made, the following should be highlighted: (i) the introduction, in the Current Estimates of Cash Flows, of flows related to unregistered premiums and contributions (article 47); (ii) changes in the procedures related to the flows to obtain the TAP result (article 52); and (iii) the mandatory disclosure by the insurers, EAPCs and local reinsurers of an explanatory note containing the financial statements, methods, procedures and assumptions used in the preparation of the TAP (article 53).

The details of the changes and the full circular can be accessed via the link <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39665>.

[BACK TO SUMMARY](#)

- 9) CNSP RESOLUTION No. 343, OF 12/26/2016:** amends CNSP Resolutions no. 321/2015, no. 332/2015 and no. 335/2015.

CNSP Resolution No. 321/2015 essentially refers to technical provisions; and CNSP Resolutions No. 332/2015 and No. 335/2015 respectively refer to DPVAT (Insurance for Personal Damage Caused by Automobiles) and to the Special Regimes of Fiscal Board and Ordinary and Extrajudicial Liquidation.

Among the several amendments to CNSP Resolution 321/15, it should be noted that (i) cash flows used to calculate market risk capital should be estimated only at the closing of the balance sheets for June and December, and not for the closing of the March, June, September and December balance sheets, as previously stipulated; (ii) real estate and real estate funds that meet the requirements listed in paragraph 2 of art. 64 should be considered in cash flows; and, mainly, (iii) a reformulation of art. 64, which deals with the calculation of Adjusted Shareholders' Equity.

On the other hand, the only change regarding CNSP Resolution 332/15 was the new wording given to item I of art. 33, which now contains the exclusion to the adjustments associated with item II of art. 64 of CNSP Resolution 321/15.

Similarly, CNSP Resolution 335/15 suffered only one change, which was the inclusion of the sole paragraph of art. 13, with the following wording: "The closing of the Fiscal Direction will only occur when capital and liquidity shortcomings are remedied, and the Board of Directors of Susep may decide otherwise according to the analysis of the specific situation of the supervised."

The complete changes can be accessed through the link

[http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39648.](http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39648)

[BACK TO SUMMARY](#)

**10) CNSP RESOLUTION No. 344, OF 12/26/2016:** provides for the rules and criteria to structure and market the Universal Life Insurance and make it operational

There was great expectation for the publication of this Resolution, which regulates the offer of risk and survival coverage in a conjugated manner.

As established in paragraphs 1 and 2 of article 2 of the Resolution, the Universal Life Insurance plans may only be structured with risk coverage, and offer of survival coverage is prohibited. In addition, the plans must at least offer — and this is mandatory— coverage for Death for Natural Causes or Accidental Death.

It is interesting to note that Brazilian legislation already contained a standard dealing with conjugated plans (risk coverage combined with survival coverage). It occurs that the previous rule did not achieve the objective of promoting the commercialization of this kind of product because, in practice, it treated the two coverages separately, basically combining them exclusively with regard to the use of survival reserves for payment of Risk premiums.

The new standard is a great advance, since it is much simpler and provides for an effective combination of coverage, considering the transformation undergone by the protection demands of each insured.

To check the full text of the Resolution please access

[http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649.](http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649)

[BACK TO SUMMARY](#)

**11) SUSEP CIRCULAR No. 544, OF 12/27/2016:** provides for amendments to the Accounting Rules to be followed by the insurance companies, capitalization companies, open supplementary social security entities and local reinsurance companies, modifying the provisions of SUSEP Circular No. 517/2015.

Among the various technical changes, this Circular establishes that the provisions and criteria established by the Accounting Pronouncements Committee in Technical Interpretations ICPC 19 and 20 shall be fully applied in what they do not contradict Circular 517/2015.

To check the full text of the Resolution please access [http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649.](http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649)

[BACK TO SUMMARY](#)

**12) SUSEP ADMINISTRATIVE RULES No. 6782, OF 1/16/2017; No. 6783, OF 1/18/2017; and No. 6784, OF 1/18/2017:** created, respectively, the Special Commission for Development of Damage Products; the Special Commission for Development of Capitalization Products; and Special Commission for Development of Private Retirement Plan and Life Products.

Any initiative to improve the quality and diversity of products offered to the insurance market is valid. However, it is always good to remember that the creation of commissions does not directly combat the greatest obstacle



currently encountered by supervised entities in the marketing of products, which is the extremely bureaucratic and restrictive form of innovations, such as analysis and registration of clauses.

In this sense, it seems clear that the process of registering new products should be based on filters. For example, in the case of complex insurances, such as engineering and other risks, it does not make sense for SUSEP's analysis to be so detailed, even for the insured.

More detailed analyzes could be reserved for products intended for consumers, such as automobiles, collective life and others.

In this regard, today the process for registration of new products needs better filters to separate the products that, in view of their importance/complexity, need an extensive and sensible prior approval and those whose approval may be obtained through faster and simpler procedures, without even the need for prior approval.

In any case, SUSEP's willingness to establish a forum for the organized discussion of these problems could be a first step in unlocking the market's capacity to create and sell new products.

#### [BACK TO SUMMARY](#)

#### **13) SUSEP STATEMENT No. 187, OF 1/19/2017:** regulates SUSEP's normative administrative process

It addresses the procedures that are part of the normative administrative process comprising the following normative acts: (i) CNSP Resolution Proposal prepared within the ambit of

SUSEP; (ii) Circular; (iii) Statement; and (iv) SUSEP Instruction.

In practice, except for a few innovations, this legislation consolidates the regulation of procedures that were already being adopted by SUSEP.

#### [BACK TO SUMMARY](#)

#### **14) SUSEP CIRCULAR No. 545, OF 1/27/2017:** sets out criteria for preferential risk offer to local reinsurance companies.

This rule was edited because the original rules regarding preference contained in CNSP Resolution no. 168/2007 were revoked by CNSP Resolution n. 225/2010, which brought the market reserve. When Resolution CNSP n. 325/2015 replaced the market reserve by a dual system of reserve and preference, the rules dealing with the preference system were not reprised (brought back into effect), and so that specific topic has now been brought back to the current legislation by the Circular.

In general, the rules that existed before were repeated, with few adjustments.

It is interesting to note that some have mistakenly linked such a rule to CNSP Resolution 241/2011, which refers specifically to the lack of local market capacity.

To check the full text of the Circular please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

#### [BACK TO SUMMARY](#)

#### **15) DEPARTMENT OF THE TREASURY - MF ADMINISTRATIVE RULE No. 42, OF 1/27/2017:** adjusts the monetary value



of the Inspection Fee of the insurance and reinsurance, capitalization and open supplementary retirement plan markets.

Firstly, it is necessary to point out a misconception of SUSEP regarding this issue.

Administrative Rule MF-706-2015 was published on 01/09/15, and supervised entities paid the updated rate as of September 2015. However, Administrative Rule MF-42/2017 reduced the amount of the fee and revoked MF -706/2015.

In this context, SUSEP informed that until December / 15, MP 472/2009 should be applied (rate = R\$ 18,674.00).

It occurs that, following SUSEP's understanding, overpayments made from September / 15 until today should be object of compensation request and not just those made from January / 16 to April / 16.

[BACK TO SUMMARY](#)

#### **FINANCIAL MARKET, CAPITAL MARKET AND MISCELLANEOUS**

- 1) NBC TG/CFC BRAZILIAN ACCOUNTING RULE No. 47, OF 11/25/2016:** approves NBC TG 47, which sets out the principles applied by entities to provide users of financial statements with useful information

According the rule, "the basic principle is that the entity must recognize revenues to describe the transfer of goods or services promised to clients in the amount of the consideration which the entity expects to be entitled to in exchange for such goods or services."

To check the rule please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

[BACK TO SUMMARY](#)

- 2) NBC TG/CFC BRAZILIAN ACCOUNTING RULE No. 48, of 11/25/2016:** approves NBC TG 48, which establishes principles for financial reports on financial assets and liabilities.

To check the rule please access <http://www1.cfc.org.br/sisweb/SRE/docs/NBCTG48.pdf>.

[BACK TO SUMMARY](#)

- 3) CGU/AGU INTER-MINISTRY ADMINISTRATIVE RULE No. 2278, OF 12/15/2016:** defines the procedures for execution of the leniency agreement under Law no. 12846/2013 and also covers the involvement of the Office of the General Counsel for the Federal Government.

Art. 8 of the Administrative Rule provides that the leniency agreement will contain at least clauses on: (i) the establishment of the enclosed facts and acts; (ii) the commitment to meet the requirements under items II to V of the head provision of art. 30 of Decree no. 8420/215; (iii) the loss of the agreed benefits, should the agreement be violated; (iv) the agreement's nature of instrument enforceable out of court, under the Code of Civil Procedure; (v) the adoption, enforcement or improvement of the integrity program; and (vi) the period and method for checking whether the conditions set in the agreement are met.

[BACK TO SUMMARY](#)

- 4) CCFCVS RESOLUTION No. 417, OF 12/6/2016:** amends subitems 18.1.2.2, 18.1.4.1 and 18.5.2 of the Manual on

Operating Procedures and Rules of FCVS (Salary Variation Compensation Fund).

Items 18.1.2.2 and 18.1.4.1 refer to the financial agent's possibility of presenting other documents to replace those that might show signs of divergence; and item 18.5.2 covers the lack of original documentation.

[BACK TO SUMMARY](#)

- 5) CCFCVS RESOLUTION No. 418, OF 12/15/2016:** amends subitems 18.1.2.2, 18.1.4.1 and 15.10.2 of the Manual on Operating Procedures and Rules of the Salary Variation Compensation Fund.

Item 11.5 deals with the Request for Cancellation of RCV, while item 15.10 deals with Extinguishing the responsibility of FCVS in contracts with zero balance or in which coverage was denied.

[BACK TO SUMMARY](#)

- 6) DECREE No. 8945, OF 12/27/2016:** regulates Law no. 13303/2016, which provides for the legal bylaws of state-owned companies, government-controlled companies and their subsidiaries, and which sought to be an evolution in the corporate governance of these companies, whose fragility has become evident from the Lava-Jato Investigations.

This Decree deals, among other things, with the Corporate Governance Regime of State Companies; the Social Function of the State Company; the Inspection of the State Companies by the Government and by the Society; and on Differential Treatment for Small Sized State Companies.

The provisions of this Decree also apply to state-owned companies based

abroad and transnational companies, as applicable.

[BACK TO SUMMARY](#)

- 7) DEPARTMENT OF THE TREASURY - MF ADMINISTRATIVE RULE No. 2, OF 1/5/2017:** establishes the Strategic Committee for the Information Electronic System (SEI).

The Strategic Committee was established to coordinate the activities necessary to implement and institutionalize the system as well as the measures related to the qualification of civil servants and employees.

In this context, it is incumbent on the Strategic Committee to: (i) establish the SEI governance model; (ii) set out strategic guidelines for the SEI implementation; (iii) establish commissions and organize work groups to take actions related to SEI; (iv) propose to the Executive Secretary policies and rules to ensure the adequate operation of the SEI; (v) refer to the IT General Coordination Office of the Planning, Budget and Administration Subdepartment (COGTI/SPOA) requests for improvement and development of functionalities, as well as monitor the development of demands; and (vi) analyze, establish adequate procedures and rectify possible omissions.

[BACK TO SUMMARY](#)

- 8) DECREE No. 8953, OF 1/10/2017:** amends Decree no. 7963, which creates the National Consumption and Citizenship Plan and the National Chamber for Consumption Relations

Decree no. 8953 adds three definitions to the text of the mentioned Decree no. 7963.

A sole paragraph was added to art. 2 explaining the meaning of the term “accessibility”, and also a sole paragraph was added to art. 3 defining the terms “universal design” and “assisting technology.”

[BACK TO SUMMARY](#)

**9) CONTRAN RESOLUTION No. 649, OF 1/10/2017:** ratifies Statement no. 156/2016, which annulled the effectiveness of par. 2 of art. 131 of CONTRAN Resolution no. 632/2016 that addressed granting of prior authorization for inspection of vehicles whose external, mechanical and structural parts have been damaged until a new System for Issuance and Control of the Car Safety Certificate is implemented.

[BACK TO SUMMARY](#)

**10) BACEN CIRCULAR No. 3814, OF 12/7/2016:** amends Circular no. 3689/2013, which regulates the provisions on foreign capital in Brazil and Brazilian capital abroad.

Amendments include those regarding the registrations in the section Direct Foreign Investment of the RDE (Electronic Statement Register), which must include amounts from money entering the country; conversion into direct foreign investment; transfers between types; international checking of units of ownership or shares; and remittance of profits and dividends, interest on the stockholders’ equity overseas and return on investment to other countries.

To check the full text of the Circular please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

[BACK TO SUMMARY](#)

**11) BACEN COMMUNICATION No. 30283, OF 12/30/2016:** informs the percentage and the maximum limit of the interest rate to be used in loan contracts with prefixed interest rate executed within the ambit of Housing Finance System (SFH).

The percentage relates to the basic yield of savings deposits, in effect from January, is 2.0636%, and the maximum limit of the interest rate for contracts with prefixed rates executed within the ambit of SFH is 14.3112% per year.

[BACK TO SUMMARY](#)

**12) BACEN RESOLUTION No. 3822, OF 1/20/2017:** amends Circular no. 3689/2013, which regulates the provisions on foreign capital in Brazil and Brazilian capital abroad, more specifically as to the base dates relating to the provision of information on the amounts of the shareholders' equity and of the paid-in capital of the receiving company, as well as the base dates for the presentation of economic-financial statements by companies with assets or shareholders' equity equal to or higher than R\$ 250,000,000.00 receiving foreign investment.

[BACK TO SUMMARY](#)

**13) BACEN CIRCULAR No. 3825, OF 1/26/2017:** amends Circular no. 3691/2013, to adjust the foreign exchange regulation to the provisions of Law no. 13017/2014, which changed the value of foreign exchange transactions that do not require a foreign exchange contract to up to US\$ 10,000.00.

The following sole paragraph was added to art. 1: “In the purchases and sales of foreign currency where no formal foreign exchange contract is executed with clients, the delivery or

availability to the client, immediately and at no cost, of proof of each transaction is required and such proof must at least identify the parties and indicate the foreign currency, the nature-fact of the transaction, the foreign exchange rate, the amounts in the foreign currency and national currency, as well as the Total Effective Value (VET).”

[BACK TO SUMMARY](#)

**14) BACEN RESOLUTION No. 3,827, OF 1/30/2017:** amends and disclose the Regulation of the Financial Stability Committee (COMEF), which takes effect with the wording provided in the annex thereto.

To check the full text of the Circular and the annex thereto please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

[BACK TO SUMMARY](#)

**15) CMN RESOLUTION No. 4550, of 1/26/2017:** amends Resolution no. 4537/2016, which provides for the allocation of the funds of savings deposits by the entities that are part of the Brazilian Savings and Loan System (SBPE).

Art. 2 of said Resolution is amended as follows: “housing finance transactions within the ambit of the Housing Finance System (SFH) effectively approved by the financial agent until June 30, 2017 may be consummated until August 31, 2017 upon satisfaction of the SFH conditions in force before the effectiveness of this Resolution.”

The only change from the previous wording is in the period stipulated, which went from January 31, 2017 until March 31, 2017, to June 30, 2017 until August 31, 2017.

[BACK TO SUMMARY](#)

**CLOSED SUPPLEMENTARY RETIREMENT PLANS**

**1) PREVIC INSTRUCTION No. 35, OF 12/2/2016: amends PREVIC Instruction no. 28, of May 12, 2016.**

Art. 8, par. 4, of PREVIC Instruction no. 28/2016 is amended to provide that, in the event of invalidity of Qualification Certificate for the same function, except for the specified situation, only the renewal form will be necessary accompanied by copy of the certificate issued by an independent certifying institution and the Standard Sending indicating the number of the certificate previously issued.

Art. 11 of PREVIC Instruction is amended to provide that validity of the Qualification Certificate will be extended automatically for 30 days if the manager or council member remains in the office even after the end of term of office of the qualified manager or in case of expiration of the certificate.

[BACK TO SUMMARY](#)

**2) PREVIC INSTRUCTION No. 36, OF 12/20/2016:** amends PREVIC Instruction no. 27, of April 4, 2016, which provides for the minimum elements that must be contained in Actuarial Technical Note addressed in art. 18, par. 2 of Supplementary Law no. 109, on May 29, 2001.

The Closed Supplementary Retirement Plan Entities (EFPC) must send Previc, for each of their plans and until the deadline for the Actuarial Statements for 2016 to be sent, the Actuarial Technical Note with the minimum elements and other requirements

according to PREVIC Instruction no. 27/2016.

The benefit plans which already have the Actuarial Technical Note adjusted to the new requirements must be sent to Previc as provided in art. 2, par. 4, of PREVIC Instruction no. 27/2016.

The Note must be sent via [previc.cgma@previc.gov.br](mailto:previc.cgma@previc.gov.br) and the file name must contain the initials EFPC and the CNPB number of the benefit plan, in the format "SIGLAEFPC\_NÚMERODOCNPB".

The benefit plans that are exempted from sending the Actuarial Statements under art. 3 of PREVIC Instruction no. 12, of October 13, 2014, are also exempted from sending the Actuarial Technical Note.

[BACK TO SUMMARY](#)

**3) PREVIC ADMINISTRATIVE RULE No. 50027, OF 12/15/2016:** covers the updating of the amounts of administrative penalties (pecuniary fines).

[BACK TO SUMMARY](#)

**4) PREVIC/DITEC ADMINISTRATIVE RULE No. 50028, OF 12/15/2016:** covers acknowledgment of independent certifying institutions by PREVIC, for the purposes of the Manager Qualification process.

The rule establishes that the process for qualification of managers of closed supplementary retirement plan entities (EFPC) only certificates issued by independent certifying institutions with reputed technical capacity recognized by Previc will be accepted, subject to specific requirements.

Previc may not accept certificates from institutions that fail to meet any requirement imposed by it.

Certificates valid for more than four years will not be accepted.

Ditec, for the qualification of EFPC manager in 2017, will accept certificates from the following certifying institutions:

- AETQ, Investment Officer and those responsible for investments – ANBIMAICSSAPIMECPLANEJAR - CPA-20, CEA, CGA Profissional de Investimento CNPICFP;

- Other members of the executive Board, Members of the Decision-Making Board and Audit Committee – ANBIMAICSSAPIMECIBGCPLANEJAR - CPA-20, CEA, CGA Profissional de Investimento Administradores em Geral CNPIIBGC Conselheiros CFP.

Certificates issued by other certifying institutions may be accepted provided that they prove adhesion to the minimum content provided in Annex to CNPC Resolution no. 19, of 2015.

[BACK TO SUMMARY](#)

**5) PREVIC ADMINISTRATIVE RULE No. 50030, OF 12/15/2016:** covers the updating of the amounts, minimum and maximum, of the pecuniary penalty for noncompliance with the entire or part of the Consent Decree (TAC).

- Art. 10 of MPS/PREVIC Instruction no. 03, of June 29, 2010 – R\$ 30,780.58 to R\$ 7,695,143.28.

[BACK TO SUMMARY](#)

**6) PREVIC INSTRUCTION No. 1, OF 1/5/2017:** amends PREVIC Instruction no. 28, of May 12, 2016.

Establishes that application for qualification will be analyzed within thirty days from the date of filing with Previc.

The members of the decision-making board may remain in office until the completion of analysis of the application.

[BACK TO SUMMARY](#)

**7) CNPC ADMINISTRATIVE RULE No. 20, OF 1/13/2017:** establishes the Thematic Commission, of consultancy nature, to analyze the draft of the Resolution on transfers of management of benefit plans between closed supplementary retirement plans.

[BACK TO SUMMARY](#)

**8) PREVIC/DIACE ADMINISTRATIVE RULE No. 29, OF 1/16/2017:** provides for the form and term for information to be sent for the assessment of the duration of the liabilities referred to in Resolution no. 18, of March 18, 2006 and the adjustment to the pricing referred to in Resolution no. 26, of September 29, 2008, both of the Board for Management of Supplementary Social Security, and also referred to in Previc Instruction no. 19, of February 4, 2015, related to the results for 2016.

For the assessment of the duration of the liabilities referred to in Resolution no. 18, of March 18, 2006 and the adjustment to the pricing referred to in Resolution no. 26, of September 29, 2008, both of CGPC, and also referred to in Previc Instruction no. 19, of February 4, 2015, related to the results for 2016, the EFPC must use the specific electronic spreadsheet available on Previc page.

The electronic spreadsheet of each benefit plan must be sent to Previc until the date established for the accounting

statements to be sent, according to operating details published on the Agency page.

[BACK TO SUMMARY](#)

**9) SUPPLEMENTARY LAWS 108 and 109 ANNOTATED**

<http://www.previdencia.gov.br/wp-content/uploads/2016/11/leis-complementares-108-e-109-outubro.pdf>>.

[BACK TO SUMMARY](#)

## [HEALTH](#)

**1) NORMATIVE INSTRUCTION – DIFIS No. 14, of 11/11/2016 (RECTIFICATION):** on 1/9/2017, the Inspection Board – DIFIS rectified par. 1 of art. 22 (*“Art. 22. After expiry of the period established in § 2 of art. 21, with or without a response, or if the clarifications and documents presented are insufficient to prove compliance with the recommendations, the competent DIFIS body will prepare a final note on its compliance with Normative Instruction No. 14/2016.”*) of Normative Instruction no. 14/2016, as follows:

“Par. 1 The Note in the head provision will be submitted to the Inspection Director for approval and, should it be the case, to make a decision, and the penalties and/or measures provided in art. 53 of Ruling Resolution RN no. 388, of November 25, 2015 will be applicable.”

[BACK TO SUMMARY](#)

**2) CFM RESOLUTION No. 2151, OF 9/30/2016:** sets out rules and contents for the access to information addressed in Law no. 12527/2011.

This resolution regulates the access by any interested party to the information



produced or kept on the files of the Federal and Regional Medicine Councils

It created the Citizen Information Service (SIC), directly subordinated to general secretary of each Medicine Council that must: (i) help and assist the public with the access to the information; (ii) inform on the course of documents through the units, and (iii) receive and register applications for access to the information.

[BACK TO SUMMARY](#)

- 3) ANS ADMINISTRATIVE RULE No. 34, OF 12/16/2016:** the Management Director of the National Supplementary Health Agency delegates to the Assistant Management Director the authority to carry out the following activities: (i) perform human resources management activities, according to the legislation in force; (ii) execute contracts, agreements, and other necessary legal instruments within the reach of ANS purposes; (iii) make decisions regarding expenses and manage budget, financial and management funds; (iv) take management measures deriving from technical cooperation agreements executed with international organisms; and (v) issue Notices requiring payments and register debts as overdue liabilities to ANS.

[BACK TO SUMMARY](#)

- 4) COFIS EXECUTIVE DECLARATORY ACT No. 100, OF 12/21/2016:** provides for the layout of Program for Generation of Statement of Medical and Health Services, according to the Sole Annex thereto.

To check the full text of the Resolution please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

[BACK TO SUMMARY](#)

- 5) RULING RESOLUTION - RN No. 416, OF 12/22/2016:** provides for the Assistance Risk Monitoring of health assistance plan companies.

This Resolution addresses the Methodology, the Disclosure of Results and the Administrative Measures related to the Assistance Risk.

To check the full text of the Resolution please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

[BACK TO SUMMARY](#)

- 6) RULING RESOLUTION - RN No. 417, OF 12/22/2016:** provides for the Assistance Recovery Plan and the special regime of the Technical Management, within the ambit of the supplementary health market.

This resolution addresses the Presentation and Analysis, Requirements and Monitoring and Completion of the Assistance Recovery Plan.

To check the full text of the Resolution please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

[BACK TO SUMMARY](#)

- 7) NORMATIVE INSTRUCTION - IN No. 049, OF 12/22/2016:** provides for administrative measures arising from the evaluation of the health assistance plan companies concerning the Assistance Risk Monitoring, addressed by RN no. 416/2016.

[BACK TO SUMMARY](#)



**8) NORMATIVE INSTRUCTION - IN No. 050, OF 12/22/2016:** regulates Ruling Resolution no. 417/2016, providing for the Assistance Recovery Plan, the special regime for Technical Management and the Assistance Sanitation Program.

[BACK TO SUMMARY](#)

**9) RULING RESOLUTION - RN No. 419, OF 12/26/2016:** amends Resolution no. 392/2015, which provides for the acceptance, registration, linking, custody, operation and diversification of the guarantee assets of the companies within the ambit of the supplementary health system.

To check all amendments please access <http://www2.susep.gov.br/bibliotecaweb/docOriginal.aspx?tipo=1&codigo=39649>.

[BACK TO SUMMARY](#)

**10) RULING RESOLUTION - RN No. 418, OF 12/26/2016:** amends the annexes to Ruling Resolution no. 2012, which provides for the Standard Account Plan for health assistance plan companies.

The main change introduced by the Resolution was the requirement for a detailed report on the internal control deficiencies to be sent together with the DIOPS/ANS Periodical Information Report of the Health Assistance Plan Companies/National Health Agency, XML version.

[BACK TO SUMMARY](#)

**11) DIPRO NORMATIVE INSTRUCTION No. 51, OF 1/27/2017:** regulates articles 4 and 22 of Ruling Resolution no. 171/2008, providing for routines and procedures for request and authorization to apply adjustments to the pecuniary considerations of individual and family supplementary health assistance plans.

[BACK TO SUMMARY](#)

**12) DIPRO NORMATIVE INSTRUCTION No. 52, OF 1/27/2017:** provides for electronic communications between the Rules and Product Qualification Board and the health assistance plan companies.

[BACK TO SUMMARY](#)

**13) ANS INVITATION FOR PUBLIC HEARING No. 5, OF 1/27/2017:** the National Supplementary Health Agency (ANS) invited the public to a hearing on the normative instruction proposed by the Rules and Qualification Board of Plan Companies, regulating the events of guarantee assets linked to the companies.

ANS, with this Instruction brought to public hearing, intends to expedite the transfer of guarantee assets from a financial investment to other.

In the current scenario, all transfers of funds depends on specific authorization of the Board of Rules and Qualification of Health Plan Companies (DIOPE), an procedure that may take up to 30 days to be completed.

The purpose of the new Instruction is to establish an annual prior authorization for all transfers in that period, without need for a singular authorization for each transfer made.

ANS believes that, with the introduction of this measure, the health plan companies may improve their financial results with a more agile and dynamic management.

The public hearing will be held on February 14, 2017, from 2 PM to 6 PM, at the Auditório da Fecomércio RJ, at Rua Marquês de Abrantes, 99, Térreo, Flamengo, Rio de Janeiro/RJ.

Attendees must subscribe in advance by electronic means: emails sent to eventos@ans.gov.br, indicating the following subject: “Audiência Pública, movimentação de ativos garantidores”.

[BACK TO SUMMARY](#)

**14) ENGLISH BUPA ACQUIRES CAREPLUS, WHICH WILL HAVE AN INTERNATIONAL PLAN.** The global leader in international health insurance breaks into the Brazilian market upon the acquisition of Care Plus, a health plan company whose target are expatriates and executives that are frequently traveling.

Globally, Bupa has 32 million of clients and operates in 190 countries.

After the acquisition, Moses Dodo, general manager at Bupa Latin America, said that a 20% increase in revenue and 25% increase in the number of clients are part of Care Plus for 2017. The company’s current revenue is approximately R\$ 700 million and it has about 100 thousand clients.

This operation, together with others that have occurred in the past, reveals, on the one hand, that Brazilian supplementary health legislation and the tendency to focus excessively on users' rights, with little concern for the economic viability of the plans, is no longer a sufficient obstacle to remove any interest from global companies.

On the other hand, the focus of the acquired company in expatriates shows that there is still a lot of caution in foreign investment in the Brazilian supplementary healthcare market.

[BACK TO SUMMARY](#)

## TAX

**1) SOLUTION OF CONTROVERSY No. 1, OF 1/13/2017:** deals with the applicability of the PIS and COFINS tax exemption for insurance brokers where they receive from the cedant, which contracts the insurance abroad, the premium credited in foreign currency to its bank account in Brazil, retain their commission and remit the net premium to the reinsurer abroad.

The doubt related to the identification of “entry of currency” requirement in this event, and according to the solution, such identification is a requirement.

The conclusion was:

a) in a reinsurance brokerage contract, services are exported only if the contract is executed between a Brazilian broker and a reinsurer domiciled abroad, and the financial burden is placed on the foreign reinsurer.

b) the legislation permits the transaction system that is payment of reinsurance or retrocession premium by a Brazilian insurer or reinsurer to a Brazilian reinsurance broker upon deposit in Brazilian or foreign currency into bank account with a Brazilian bank held by the reinsurance broker only for this purpose and further remittance abroad by the Brazilian broker to the foreign reinsurer of the premium deducted from the commissions due to the broker (net value), provided that in compliance with the operating procedures required by said legislation;

c) in said system, the entry of currency is linked to the earning of income from service export and although the legislation simplifies the procedures by

permitting financial transactions in net values, and in thesis, the Cofins non-levy and exemption established in item III of art. 14 of Provisional Presidential Decree no. 2158-35, of 2001, and item II of art. 6 of Law no. 10833, of 2003 are applicable.

[BACK TO SUMMARY](#)

**2) ANSWER TO INQUIRY No. 62, OF 1/20/2017:** addresses the taxation applicable to local reinsurers, whether admitted or occasional.

The conclusion was:

(i) The "local reinsurer" and the "admitted reinsurer" are subject to the Income Tax of Legal Entities (IRPJ), which must be assessed according the taxable income system.

(ii) As a result, they are also excluded from the PIS and COFINS non-cumulative regime, and subject to a proper regime applicable to legal entities of private insurance (cumulative, with COFINS at a 4% rate and PIS at a 0.65% rate);

(iii) The income derived from "provision of the service" of reinsurance to a cedant resident or domiciled abroad, if permitted by the specific legislation, is not burdened by PIS and COFINS, and the rules set out in Law no. 11371, of 2006 are applicable: i) in the event of payment for the service represents entry of currency, the rules in par. 1 and in item III of art. 14 of the Provisional Presidential Decree no. 2158-35, of 2001; and ii) in the event of non-entry of currency.

(iv) The IRRF on reinsurance premiums paid in the transactions of an "occasional reinsurer", where paid, credited, delivered, employed or remitted abroad is levied at a 25% rate, in view that the reinsurer "provides services."

(v) Import of reinsurance service by a cedant resident or domiciled in Brazil is a taxable event that generates the PIS/Pasep-Import calculated based on the application of the 1.65% rate and the COFINS calculated based on the application of the 7.6% rate to the tax base addressed in par. 1 of art. 7 of Law no. 10865, of 2004, with wording provided by Law no. 12249, of 2010. The taxpayer is the cedant that contracts the reinsurance service with the "occasional reinsurer."

The conclusions above are against the understandings of the majority of the taxpayers until then, namely:

(i) The representative offices of the admitted reinsurers are mere service providers, therefore not subject to the legal system applied to legal entities of private insurance. Thus, they could opt for the Presumptive Profit system, and were not mandatorily subject to the Taxable Income system.

(ii) For this same reason, the representative offices of the admitted reinsurers are not subject to PIS and COFINS legal system applicable to legal entities of private insurance. They are, in fact, subject to the cumulative system should they opt for taxation by Presumptive Profit and to the non-cumulative regime should they opt for the taxation by the Taxable Income.

(iii) The COFINS rate applicable to representative offices of admitted reinsurers, as an ordinary legal person, is 3% (and not 4%) should they opt for the presumptive profit system and 7.65% should they opt for the taxable income system.

(iv) A reinsurance transaction is not of "service provision" nature. It is a typical activity, and the risk coverage is the consideration to the principal (insurer or reinsurer), and it does not involve obligation to do.

(v) The IRRF on the remittance of premiums abroad must be applied at a 15% rate and not at a 25% rate, exactly because it is not a compensation for a service provision.

It should be mentioned that, although the name of the consultant is not included in the text of the consultation published on the website of the RFB, it is known that it was presented by the so-called ABER - Brazilian Association of Reinsurance Companies, currently FENABER - National Federation of Reinsurance Companies. Therefore, the effects of this consultation will be applicable to all its associates from the subpoena of the federation, which we suppose has already occurred.

Nevertheless, even if the taxpayer is not associated with FENABER, it is important to note that this answer to the query was issued by Cosit under the guideline of Normative Instruction No. 1,366, of 2013, which, by amending the regulations of the RFB consultation process, established in its Article 9 that "the Cosit Consultation Solution and the Divergence Solution, as of the date of its publication, have binding effect in the framework of the RFB and support the taxable person applying them, regardless of whether he is the consultant, provided that it fits in the hypothesis covered by Consultation and Divergence Solutions, without prejudice to the fact that the tax authority, in a procedure of inspection, verify its effective framework.

Therefore, the understandings expressed by the Brazilian Internal Revenue Service in this consultation may, on the one hand, support all taxable persons who carry out these operations, and on the other, be used by the tax authorities in eventual

inspection of the regular fulfillment of their tax obligations.

### [BACK TO SUMMARY](#)

**3) PROVISIONAL PRESIDENTIAL DECREE No. 766, OF 1/4/2017:** Provisional Presidential Decree no. 766/2017 implemented the Tax Good Standing Program (PRT) with the Brazilian Federal Revenue Department (RFB) and the Office of the Counsel to the Federal Treasury (PGFN), for payment of tax and non-tax liabilities due up to 11/30/2016 by individuals and legal entities, both those whose authorization for payment into installments was canceled and those whose authorization remains valid as decided in an administrative or judicial proceeding or liabilities arising from assessment on the authorities' initiative.

Among the provisions, we point out the following ones:

a) to join the PRT, the tax payer must file application within 120 days from the regulation established by RFB and PGFN;

b) the adhesion to the PRT implies: b.1) irrevocable and irretrievable confession of the debts in the name of the debtor in the capacity of taxpayer or responsible party and the debts indicated for the payment in installments; the confession also requires that the debtor accepts in full and irrevocably all conditions established in the decree; b.2) duty to pay in due time all installments of the debts unified for the payment in installments and the debts overdue after 11/30/2016, whether or not registered as overdue tax liabilities to the Federal Government; b.3) prohibition of inclusion of debts that form the PRT in any other further division into installments, except for

the re-division addressed in art. 14-A of Law no. 10.522/2002; b.4) regular compliance with the obligations related to the Unemployment Savings Fund (FGTS);

c) within the ambit of the RFB, the taxpayer that joins the payment in installments may settle the debts opting for one of the following forms of payment: c.1) on demand and in cash of at least 20% of the consolidated debt amount and payment of the remaining part using tax loss credits and the negative calculation base of the Social Contribution on Net Profit (CSLL), or other credits held; c.2) in cash of at least 24% of the consolidated debt in 24 monthly successive installments and payment of the remaining part using tax loss credits and the negative calculation base of CSLL or other credits held; c.3) on demand and in cash of 20% of the consolidated debt and division of the remaining payment into 96 monthly successive installments ; c.4) the total consolidated debt in up to 120 monthly successive installments, calculated according to the minimum percentages applied to the amount due.

d) within the ambit of the PGFN, the taxpayer joining the PRT may repay the debts opting for one of the following forms of payment: d.1) payment on demand of 20% of the consolidated debt and the remaining part in up to 96 monthly successive installments; d.2) payment of the consolidated debt in up to 120 monthly successive installments, calculated according to the minimum percentages applied to the amount due; e) the minimum amount of each monthly installment will be R\$ 200.00 for individuals and R\$ 1,000.00 for legal entities; f) the taxpayer may include in the payment in installments debts that are not the

subject of administrative or judicial proceedings.

It should be pointed out that in the events provided in "c.1" and "c.2", credits for tax losses and the negative base for calculation of the CSLL assessed until 12/31/2015 and reported until 6/30/2016 held by the taxpayer or the party responsible or co-responsible for the tax liability, whether directly or indirectly, and held by the controlling or controlled companies, whether directly or indirectly, or held by companies directly or indirectly controlled by a same company on 12/31/2015, domiciled in Brazil, may be used, provided that such situation remains until the date of the option for the payment.

To enjoy the benefits of the provisional presidential decree, the taxpayer must discontinue oppositions or administrative appeals and lawsuits whose subject is the debts that will be repaid, waive any allegations of right basing such oppositions and appeals and lawsuits and file, in the case of lawsuits, a request for dismissal with prejudice. The discontinuance and waive will not exempt the plaintiff from the payment of fees. The RFB and the PGFN, within their authority, will enact the acts required for the provided procedures within 30 days from this date. Finally, art. 38 of Law no. 13043/2014, which determined that attorney's fees would not be due in the case of lawsuits that would be extinguished due to adhesion to the specified payments in installments, was revoked.

#### [BACK TO SUMMARY](#)

**4) DECREE No. 8964, OF 1/18/2017:** enacted the Agreement between the Government of the Federative Republic

of Brazil and the Government of the French Republic regarding International Road Transportation of Passengers and Cargo, executed in Paris on March 19, 2014.

[BACK TO SUMMARY](#)

**5) RFB NORMATIVE INSTRUCTION No. 1679, OF 12/27/2016:** upon the publication of RFB Normative Instruction no. 1679/2016, RFB Normative Instruction no. 1420/2013, which created the Digital Accounting Records (ECD), was amended to provide for corrections of errors in the information supplied in the accounting records.

Among the changes, we point out: a) after the books have been authenticated, only those with errors that cannot be corrected by untimely records, may be replaced upon presentation of the Verification Instrument for Replacement Purposes jointly with the applications for cancellation of the authentication and a new ECD.

The Verification Instrument will contain: a.1) description and details of the errors that caused the replacement; a.2) identification of the replaced accounting records; a.3) clear and accurate identification of the records with errors, except where such errors derive from an already indicated error; a.4) signatures of certain accountants according to the nature of the errors to be corrected; b) determination that any changes made without presentation of the Verification Instrument for Replacement Purposes duly completed will be null.

Finally, the act revoked par. 5, 6 and 7 of art. 5 of RFB Normative Instruction no. 1420/2013, which deal respectively

with the definition of the error of fact, presentation of report to apply for cancellation of the authentication and replacement of the ECD.

[BACK TO SUMMARY](#)

**6) SRF NORMATIVE INSTRUCTION No. 1680, OF 12/28/2016:** RFB Normative Instruction no. 1680/2016 addressed the identification of financial accounts in compliance with Common Reporting Standard (CRS), which must be obeyed by legal entities required to present the *e-Financeira*, related to facts occurred from 1/1/2017.

Among the provisions, we point out the following ones:

a) information related to financial accounts may be automatically exchanged and will be provided upon the presentation of the *e-Financeira*, subject to the terms and other conditions set out for such report;

b) information related to the 1st half of 2017 is an exception and may be transmitted up to the term established for the transmission of the information related to the 2nd half of 2017;

c) legal entities must identify, as reportable account, the financial accounts that may be automatically exchanged.

Reportable account means an account kept by one or more reportable persons or by a Non-Financial Entity (ENF) with one or more controlling persons that are reportable persons, provided that the account has been identified as such according to the audit procedures provided in the Appendix to this act.

[BACK TO SUMMARY](#)

**7) RFB NORMATIVE INSTRUCTION No. 1681, OF 12/28/2016:** upon the



publication of RFB/PGFN Joint Normative Instruction no. 1681/2016, RFB/PGFN Joint Normative Instruction no. 1302/2015, which set out rules for the Program for Social Security Recovery of Domestic Employers (Redom) was amended. Among the provisions, we point out the following ones:

a) possibility of a 100% reduction to fines, a 60% reduction to interest for late payment, and a 100% reduction to legal charges and attorney's fees upon consolidation of debts for the option for payments on demand.

b) in the event of consolidation of payment on demand, the domestic employer is required to pay the difference assessed in a period of 30 days from service of notice by the RFB or the PGFN.

[BACK TO SUMMARY](#)

**8) SRF NORMATIVE INSTRUCTION No. 1682, OF 12/28/2016:** approved the model of proof of paid income and Withholding Income Tax (IRRF) to replace the model of proof and the completion instructions.

[BACK TO SUMMARY](#)

**9) RFB NORMATIVE INSTRUCTION No. 1684, OF 12/29/2016:** amended normative RFB Instruction no. 1634/2016, which provides for the National Register of Corporate Taxpayers (CNPJ).

Among the main changes, we point out: a) requirement for any co-ownership, in the capacity of branch, to enroll with the CNPJ, provided that organized under a condominium agreement; b) determination, in the case of partners domiciled abroad, that the Basic Entry Document (DBE) or the Transmission Proof must be

accompanied by a certified copy of the power of attorney appointing the legal representative. In the event the entity domiciled abroad has no attorney in fact or legal representative, it may be considered non-existing and the enrollment in the CNPJ may be canceled; c) change in the date of delivery of the digital dossier, which will be 1/1/2016.

Finally, it revoked letter "h" of item I of the sole paragraph of art. 10 of Normative Instruction no. 1634/2016, providing that the other RFB units would be units in charge of the CNPJ registration, by virtue of tax procedures.

[BACK TO SUMMARY](#)

**10) RFB NORMATIVE INSTRUCTION No. 1686, OF 1/26/2017:** Approved the 2017 DIRF Withholding Income Tax Return Generator Program (PGD DIRF 2017), made available by the Federal Revenue Department (RFB) on its website <http://rfb.gov.br>. It also amended RFB Normative Instruction no. 1671/2016, which provides for the 2017 DIRF, and extended the deadline for the presentation of the 2016 DIRF to 11:59:59 PM, Brasília time, of 2/27/2017.

[BACK TO SUMMARY](#)

**11) RFB ADMINISTRATIVE RULE No. 1714, OF 12/22/2016:** RFB Administrative Rule no. 1714/2016 established parameters for the appointment of legal entities to be subject to the differentiated and special tax and economic monitoring in 2017.

The following legal entities will be appointed for the differentiated monitoring in 2017:

a) those whose gross revenue according to the Tax Accounting



Records (ECF) for the calendar year of 2015 exceeded R\$ 180,000,000.00;

a) those whose debts according to the Report on Federal Tax Liabilities and Federal Tax Debts (DCFT) for the calendar year of 2015 exceeded R\$ 18,000,000.00;

a) those whose salary mass informed in the Document for Deposit in the Unemployment Savings Fund and Information to the Social Security (GFIP) for the calendar year of 2015 exceeded R\$ 50,000,000.00; or

a) those whose debts informed in GFIP for the calendar year of 2015 exceeded R\$ 50,000,000.00.

Finally, it revoked from 1/1/2017 RFB Administrative Rule no. 1755/2015, which set the parameters for 2016.

[BACK TO SUMMARY](#)

**12) EXECUTIVE DECLARATORY ACT No. 93, OF 12/12/2016:** Approved the layout of ECD for 2016, available for download on <http://sped.rfb.gov.br/pasta/show/1569>.

[BACK TO SUMMARY](#)

**13) ANSWER TO INQUIRY No. 10096, OF 12/8/2016:** This answer provided for the requirement for provision of information to SISCOSERV. The main conclusion of interest was the requirement for provision of information on insurance contracted abroad. In this regard, it was concluded as follows:

“A legal entity domiciled in Brazil that purchases insurance from an insurer also domiciled in Brazil is not required to record with Siscoserv the information on the transaction. In the event of insurance purchase from an insurer domiciled abroad and paid by a purchaser resident in Brazil, such purchaser will be the principal and, as a

result, responsible for recording the information with Siscoserv, even if an insurance broker domiciled in Brazil mediates the transaction.”

[BACK TO SUMMARY](#)

**14) ANSWER TO INQUIRY No. 30, OF 1/16/2017:** The Answer in question clarified that in case of a legal entity acting as policyholder that purchases group insurance policies, such entity must consider as taxable income the remuneration earned in such transaction, and the premiums that such policyholder receives from the insured and are not transferred to the insurer will not be considered income of the policyholder. In the presumptive profit system, for the assessment of the Income Tax of Legal Entities (IRPJ), the income deriving from provision of services in general, as in the case of a legal entity acting as policyholder, is subject to the application of a rate of thirty-two percent (32%).

[BACK TO SUMMARY](#)

**15) ANSWER TO INQUIRY No. 63, OF 1/20/2017:** clarifies that the recording with Siscoserv is not required if both, the services provider and the client, are resident or domiciled in Brazil, and the payment to a branch in Brazil does not eliminate the requirement for recording with Siscoserv if the service is provided by a company domiciled abroad.

However, the importer/exporter (or other client of cargo transportation service) will not record the information if the foreign carrier is hired through the carrier’s branches, offices or agencies domiciled in Brazil.

[BACK TO SUMMARY](#)

**16) SOLUTION OF CONTROVERSY No. 3, OF 1/20/2017:** clarifies that in the non-cumulative regime, the amounts

corresponding to the payment for international transportation of exported goods do not generate PIS and Cofins tax credits, even if the payment beneficiary is a legal entity domiciled in Brazil.

[BACK TO SUMMARY](#)

**17) ANSWER TO INQUIRY No. 82, OF 1/24/2017:** deals with IRRF levy on income received cumulatively (RRA) by supplementary social security entities.

It clarifies that the RRA subject, from March 11, 2015, to the income tax based on the progressive table, where it corresponds to calendar years preceding that of the receipt, will be levied only at the source in the month it was received or its credit was recorded, separately from the any other income received in such month.

This system has being applied since July 28, 2010 to income deriving from: I - retirement, pension, transfer or remunerated reserve or reform, paid by the Federal, State, Municipal or Federal District Social Security; and II - work.

From March 2015, the tax system started to be applicable also to supplementary social security entities, by operation of RFB Normative Instruction RFB no. 1500, of October 29, 2014, art. 36, head provision, and par. 3, as amended by RFB Normative Instruction no. 1558, of March 31, 2015.

[BACK TO SUMMARY](#)

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