

MEMORANDUM TO CLIENTS

**IO/CREDIT – ACQUISITION OF MACHINES, ENERGY
AND TECHNOLOGY**

Date **04/09/2013**

Decree no. 7,975 was published on April 2, 2013, which, under the pretext of encouraging competition in the Brazilian industry, included item XXVIII into article 8 of the Regulation of the Tax on Financial Transactions. This provision reduced to zero the tax rate of the IO/Credit charged on *“credit transactions carried out by financial institutions, with public or private funds, for the funding of transactions entered into as of April 2, 2013, intended for the acquisition, production, and leasing of capital assets, including related components and technology services, and related working capital, the production of consumption goods for export, the electrical energy sector, structures for the export of liquid bulk, engineering projects, technology innovation, as well as for investment projects intended for the formation of the technological and productive capacity in sectors of high level of knowledge, engineering, and logistic infrastructure projects aimed at the construction of roads and railways subject matter of concession by the Federal Government, dealt with in article 1 of Law no. 12,096, dated November 24, 2009, and in accordance with the criteria set by the National Monetary Council and by the Central Bank of Brazil”*.

Should you require any further information on the above matter, please feel free to contact us.

Responsible Counsel:

H. Philip Schneider (philip@ssplaw.com.br)
Phone: 55 11 3201-7551

Diogo de Andrade Figueiredo (diogo@ssplaw.com.br)
Phone: 55 11 3201-7572