

Dear Readers:

The purpose of this **Tax Bulletin # Administrative Council of Tax Appeals** is to inform our clients and those interested in the main issues being discussed and decided in this court.

In this 112nd issue of our note, we comment a decision in which the Superior Chamber of Tax Appeals (“CSRF”) cancelled the imposition of Corporate Income Tax and Contribution on Profits in premium amortization. According to the CSRF, article 7° of Law 9.532/1997 authorizes the amortization of premiums regularly registered solely if the original investor (the acquirer of the investment) acts as part of the merger and acquisition operation which triggers the amortization.

We also comment a decision in which CSRF recognized the Social Security Contributions credits relative to the expenses with services of internal movement of inputs. The CSRF validated the Social Security Contributions credits relative to the expenses with services of internal movement of inputs, considering these expenses as essentials and directly related to manufacturing process of taxpayer.

Schneider, Pugliese, Sztokfisz, Figueiredo e Carvalho Advogados is available to its clients should they have any questions on the decisions commented in this newsletter. Also, if requested, we are fully available to translate our Tax Bulletin to English.