

Brazil's Tax Reform:

Turning Regulatory Change into Competitive Advantage

SOVOS



Impacts on companies' strategies

Brazil is undergoing the largest tax reform in decades, simplifying its complex system of indirect taxes. These changes affect how companies calculate, price, and report taxes across goods and services.

It is crucial to understand how these changes can optimize operations, finance, and technology, as well as improve fiscal efficiency.



Objectives and Expectations of the Tax Reform in Brazil



The Tax Reform goes beyond mere compliance adaptation; it alters the tax structure and necessitates a strategic adaptation by companies. This shift represents a valuable growth opportunity, requiring an integrated vision encompassing finance, logistics, and technology. **Identifying the factors that drive growth under the new legislation is essential.**

Companies that quickly adapt to these transformations, making them scalable during the transition period until 2033, will be better positioned to seize new market opportunities and enhance their competitiveness.

Preparation for Reform: How Companies Are Acting



95% companies are **concerned** about the **impact** of the reform



45% are studying the **potential effects**



40% are already **planning** operational

Source: "Tax do Amanhã" (Deloitte) Survey

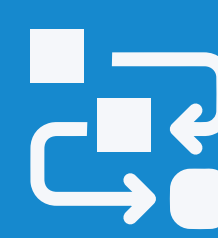
Key factors to consider

The impacts of the Brazilian Tax Reform will differ considering your business operates.

The main accelerators of the impacts of Reforms include:



By Industry: Different sectors = different exposure.



By Role in Supply Chain: Producers, distributors, service providers all impacted differently.



By Geography: Destination principle alters tax burden by region.



By Tax Incentives: Adjust business models to avoid losses.



By Costs Structure: New system demands precise tax determination.

Scale your tax determination processes during the Tax Reform in Brazil with Sovos Taxrules



With the tax reform in effect, companies are facing significant challenges in adapting to new fiscal requirements. In this scenario, solutions such as Sovos Taxrules emerge as essential allies, offering a calculation and determination of taxes that provide a detailed view of the impacts of the reform at each stage of the business.

With Sovos Taxrules, companies calculate both existing and future taxes in real time, ensuring smooth compliance today while preparing for Brazil's reform tomorrow.

To comply with the new requirements, Taxrules determines and calculates the tax based on the type, of goods or services and transaction form, both of current and proposed taxes for the Reform. Its direct integration with the ERP ensures that tax calculations are accurate and consistent automated, minimizing operational risks, manual adjustments, and optimizing financial management.

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Discover how leading companies are planning for Brazil's reform.

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