



Independent monitoring of policies that affect world trade

[Login](#) | [Register](#)

Brazil: Integrated Drawback Suspension - new module for drawback system

Measure #0829 | Published 26 Oct 2009 ▲

Description

On 27 April 2010, Brazil's drawback system for export goods was renewed and extended by Joint Ordinance (Portaria Conjunta) no. 467/2010.

The drawback system already existed before 2008 and includes various modules. The system applies to exporters who in turn receive a suspension of various taxes on goods which they used in the manufacturing process. Exporters are exempted from the import tax (II), federal excise tax (IPI), Social Integration Program contribution (PIS), and Contribution for Social Security Financing (COFINS).

The Joint Ordinance no. 467/2010 regulates a new drawback module called Integrated Drawback Suspension. Three aspects in this Joint Ordinance are new to the drawback system:

1. Tax suspension applies to the acquisition of goods used in the manufacturing of intermediary products, i.e., which are later supplied to the exporter, can be purchased in the domestic market. Previously, tax suspensions for intermediary goods were only granted in case the good was imported.
2. Tax suspension applies to the acquisition of goods for use in repair, breeding, cultivation, or extraction activities of a product which will be exported.
3. The tax suspension limit was extended up to 5 years for inputs used in the production of capital goods.

Any Evidence-Based Deliberation:

QUESTION	RESULT
Is there anything in the public record to suggest that evidence of the effectiveness of the proposed measure was considered during official deliberations?	No
Is there any evidence that alternatives to the proposed measure were considered?	No
Is there anything in the public record that suggests that empirical evidence informed the comparison across the alternatives available to government?	No
Was such evidence identified?	No
Is such evidence publicly available?	No
Did the official decision-maker in question provide an explanation as to why a chosen measure was favoured over alternatives?	No
Is there any evidence to suggest that potentially affected trading partners were consulted before the measures were taken?	No
Is there any evidence that safeguards have been put in place to ensure that implementation of the initiative is transparent and non-discriminatory?	No
Did the government state its intention to review the measure within one year of implementation?	No

Implementing Jurisdiction:

[Brazil](#)

Affected Trading Partners:

[Afghanistan](#) [Albania](#) [Algeria](#)
[Angola](#) [Antigua and Barbuda](#)
[Argentina](#) [Armenia](#) [Aruba](#)
[Australia](#) [Austria](#) [Azerbaijan](#)
[Bahamas](#) [Bahrain](#) [Bangladesh](#)
[Barbados](#)
[\[view 142 more jurisdictions\]](#)

Measure type:

[Export incentive](#)

Affected Sectors:

[01](#) [02](#) [03](#) [04](#) [21](#) [22](#) [23](#)
[34](#) [39](#)

Affected Tariff Lines:

[0101](#) [0102](#) [0105](#) [0201](#) [0202](#)
[0203](#) [0205](#) [0206](#) [0207](#) [0209](#)
[0210](#) [0301](#) [0302](#) [0303](#) [0304](#)
[\[view 81 more tariff lines\]](#)

(mouse over for more info)

Date Discovered: 29/07/2010

Implemented: Yes

Date of inception: 27 Apr 2010

GTA Evaluation: **Red**

Related Measures:

- [Brazil: Drawback on exported products based on oil](#)
-

Source:

Portaria Conjunta RFB / SECEX no. 467 of 25 March 2010, officially published in the Official Gazette of 26 March, section 1, p. 20: <http://normas.receita.fazenda.gov.br/sijut2consulta/link.action?idAto=28...>

Júlia Taddei and Alaim Rodrigues Neto for Pinheiro Neto Advogados, 15 April 2010, "Receita Federal e SECEX regulamentam o Drawback Integrado": <http://www.migalhas.com.br/dePeso/16,MI105462,21048-Receita+Federal+e+SE...>

David Roberto R. Soares da Silva for Azevedo Sette Advogados, 25 April 2010, "Brazil Issues New Regulations on Drawback Regime for Local Purchases, Imports", [Originally published in the April 6 edition of World Tax Daily]: http://www.azevedosette.com.br/en/noticias/brazil_issues_new_regulations...

Rolim, Viotti & Leite Campos Advogados, 30 April 2010, "Brazilian Federal Revenue Service and Foreign Trade Office rule the Integrated Drawback": <http://www.rolimvlc.com/en/knowledge/brazilian-federal-revenue-service-a...>

Government Response: The government issued the measure

3158 reads [Glossary of trade terms](#)