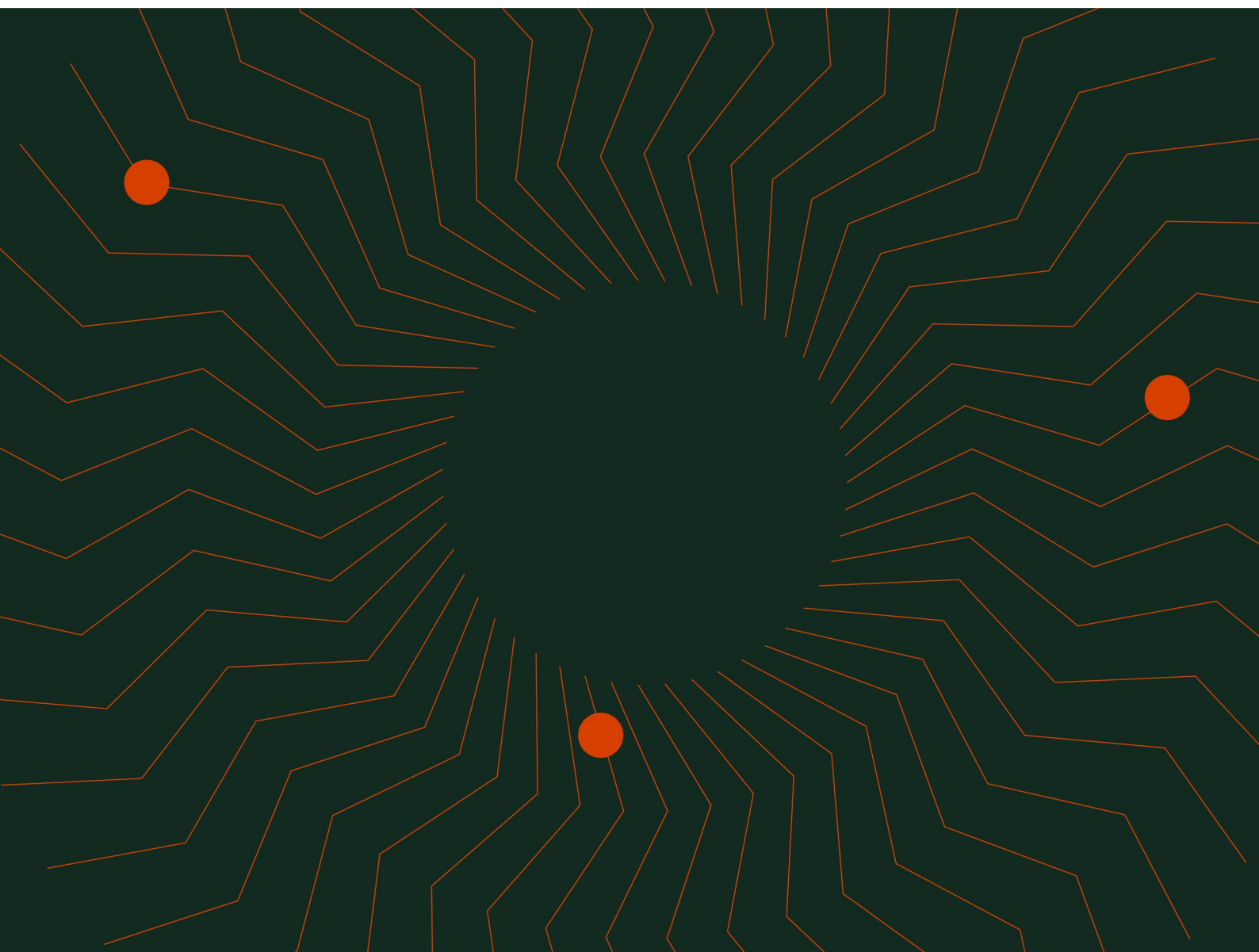


Enterprise Cloud Determination

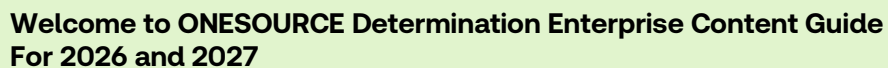
Brazil Tax Reform Guide

BR Content Team Version 1.6.0.0

2026/2027



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It is important to highlight that 2027 will not be a test year. Therefore, the product updates described in this guide are designed to support customers in preparing and operating under the applicable Tax Reform requirements during the transition period.

The CBS and IS Authority for federal **CBS** (Contribution on Goods and Services), **IS** (Selective Tax) and IBS Authority for **IBS** (state and municipal) taxes were introduced into Brazil's tax system. Determination has incorporated these tax authorities, as demonstrated below.

CBS Authority

<

Authorities

Standard Authorities

STANDARD AUTHORITIES

642

CUSTOM AUTHORITIES

146

SHOWING AUTHORITIES FOR

STATES OF BRAZIL

Brazil

SP - Sao Paulo

View in Excel

Links	Authority name	Tax admin. level	EIF tax level	ERP tax code	Registration mask	Simple registration mask
1	More	Brazil CBS	Country	Country	BRCS	*[m12]d15**[m2]s1[m3]s1[m4]s1...*

< Authorities

Standard authorities

STANDARD AUTHORITIES 1 **CUSTOM AUTHORITIES** 2

SHOWING AUTHORITIES FOR: SELECT A RANGE

Brazil ▼ | View In Excel

Links	Authority name	Tax admin. level	EIE tax level	ERP tax code	Registration mask	Simple registration mask
More >	Brazil	CEL	00		"*****"	"*****"

Rates for CBS and IBS have been incorporated by Determination. These rates enhance Determination's compliance with Brazil's Tax Reform requirements during the initial transition period, enabling customers to prepare their processes for the applicable rules in 2026 and 2027. It is important to emphasize that, pursuant to Article 18 of LC 214/2025, the reference tax rates will be established by a resolution of the Senate. Therefore, we continue to monitor the legislation on an ongoing basis, and updates will continue to be made as new definitions are published.

a) Federal CBS – Rates

Brazil CBS Rates and Fees									
AUTHORITY DETAILS RATES AND FEES RULES GLOBAL RULES CONTRIBUTING AUTHORITIES CURRENCY SPECIFICATIONS MOTOR FUEL MAPPING MATERIAL SETS RATE SETS									
STANDARD CUSTOM + Add Custom Rate + Add Custom Fee View in Excel									
	Code	Rate Type	Rate%	Fee	Active	Start date	End date		
	All	All		All		mm/dd/yyyy	mm/dd/yyyy		
1	NL - Not Liable	Basic	0%		YES	01/01/2006			
2	RR100 - Rate Reduction 100%	Basic	0.9%		YES	01/01/2006	12/31/2026		
3	RR30 - Rate Reduction 30%	Basic	0.9%		YES	01/01/2025	12/31/2026		
4	RR40 - Rate Reduction 40%	Basic	0.9%		YES	01/01/2006	12/31/2026		
5	RR50 - Rate Reduction 50%	Basic	0.9%		YES	01/01/2006	12/31/2026		
6	RR60 - Rate Reduction 60%	Basic	0.9%		YES	01/01/2025	12/31/2026		
7	RR70 - Rate Reduction 70%	Basic	0.9%		YES	01/01/2006	12/31/2026		
8	RR80 - Rate Reduction 80%	Basic	0.9%		YES	01/01/2006	12/31/2026		
9	SR - Standard Rate	Basic	0.9%		YES	01/01/2025	12/31/2026		
10	ZR - Zero Rate	Basic	0%		YES	01/01/2025			

We are awaiting the publication of the Senate resolution that will define the applicable tax rate for 2027.

b) Federal IS

We are monitoring legislation for future content update.

c) State IBS

a. For 2026

Brazil IBS Sao Paulo Rates and Fees									
AUTHORITY DETAILS		RATES AND FEES	RULES	GLOBAL RULES	CONTRIBUTING AUTHORITIES	CURRENCY SPECIFICATIONS	MOTOR FUEL MAPPING	MATERIAL SETS	RATE SETS
STANDARD		CUSTOM	+ Add Custom Rate	+ Add Custom Fee	View in Excel				
Code *	Rate type	Rate %	Fee	Active	Start date	End date			
	All			All	mm/dd/yyyy				
1	RR120 - Rate Reduction 120%	Basic	0.1%	YES	01/01/2024	12/31/2024			
2	RR20 - Rate Reduction 30%	Basic	0.1%	YES	01/01/2025	12/31/2024			
3	RR40 - Rate Reduction 40%	Basic	0.1%	YES	01/01/2026	12/31/2024			
4	RR20 - Rate Reduction 50%	Basic	0.1%	YES	01/01/2026	12/31/2024			
5	RR60 - Rate Reduction 60%	Basic	0.1%	YES	01/01/2025	12/31/2024			
6	RR10 - Rate Reduction 70%	Basic	0.1%	YES	01/01/2026	12/31/2024			
7	RR80 - Rate Reduction 80%	Basic	0.1%	YES	01/01/2026	12/31/2024			
8	SR - Standard Rate	Basic	0.1%	YES	01/01/2025	12/31/2025			

b. For 2027

Brazil IBS Sao Paulo									
Rates and fees									
AUTHORITY DETAILS RATES AND FEES RULES GLOBAL RULES CONTRIBUTING AUTHORITIES CURRENCY SPECIFICATIONS MOTOR FUEL MAPPING MATERIAL SETS RATE SETS									
STANDARD CUSTOM + Add Custom Rate + Add Custom Fee View in Excel									
Code	Rate type	Rate%	Fee	Active	Start date	End date			
BR200 - Rate Reduction 200%	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			
BR30 - Rate Reduction 30%	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			
BR40 - Rate Reduction 40%	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			
BR50 - Rate Reduction 50%	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			
BR60 - Rate Reduction 60%	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			
BR70 - Rate Reduction 70%	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			
BR80 - Rate Reduction 80%	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			
SR - Standard Rate	Basic	0.00%	-	Yes	01/01/2027	12/31/2028			

d) City IBS

a. For 2026

Brazil IBS-City Sao Paulo SP									
Rates and Fees									
AUTHORITY DETAILS RATES AND FEES RULES GLOBAL RULES CONTRIBUTING AUTHORITIES CURRENCY SPECIFICATIONS MOTOR FUEL MAPPING MATERIAL SETS RATE SETS									
STANDARD	CUSTOM	+ Add Custom Rate		+ Add Custom Fee		View in Excel			
Code	Rate type	Rate		Fee		Active		Start date	End date
1	20 - Zero Rate	Basic	0%			ON		01/01/2026	12/31/2026

b. For 2027

< Brazil IBS-City Sao Paulo SP

Rates and fees

AUTHORITY DETAILS RATES AND FEES RULES GLOBAL RULES CONTRIBUTING AUTHORITIES CURRENCY SPECIFICATIONS MOTOR FUEL MAPPING MATERIAL SETS RATE SETS

STANDARD CUSTOM + Add Custom Rate + Add Custom Fee View in Excel

Code	Rate type	Rate%	Fee	Active	Start date	End date
SR - Standard Rate	Basic	0.00%		AS	01/01/2027	mm/dd/yyyy

Page 1 of 1 Go to page: < Previous Next > Go

Items per page: (Showing 1 to 1 of 1) 25

1.3 - New Field

The Reduction Rate field was introduced to address legal requirements of Brazil’s Tax Reform legislation. This field enables the registration of percentage reductions applicable to Federal CBS and State and City IBS. Please see below the details of this introduction in Determination.

Dashboard Companies Configuration Certificate Manager Tools Reports & Analytics Determination Anywhere Help Preview Features UAT

< Brazil CBS

Rates and fees

AUTHORITY DETAILS RATES AND FEES RULES CONTRIBUTING AUTHORITIES CURRENCY SPECIFICATIONS MOTOR FUEL MAPPING MATERIAL SETS RATE SETS

Rates and Fees > Rate Code: RR30 - Rate Reduction 30%

Rate Code* (For custom data the first character must be numeric.)

RR30 - Rate Reduction 30%

Description

Rate Reduction 30%

Start Date* mm/dd/yyyy

01/01/2025

End Date mm/dd/yyyy

mm/dd/yyyy

Currency

Select

Maximum Amount

Rate Type* BASIC GRADUATED TIERED

Rate%* 0.9

Minimum Amount

Reduction%* 30

2 - Practical Examples

2.1 - Products – Full Rates - 2026

The following scenario shows an example of the authorities (Brazil CBS, Brazil IBS Amazonas, and Brazil IBS City Manaus) with the application of the full tax rate in compliance with Brazil's Tax Reform:

Transaction: Interstate

Document effective date: 01/01/2026

Ship FROM: Sao Paulo-SP / Ship TO: Manaus-AM

SCENARIO DETAILS		RESULTS		XML							
		Total Amount		Gross Amount		Effective%		Exempt Amount		Tax Amount	
Line 1		BRL	1,008.38	BRL	1,000.00	17.0880	BRL	0.00	BRL	170.88	
CALCULATION BREAKDOWN		AUTHORITY MESSAGES		SYSTEM MESSAGES							
Zone	Authority	Invoice Description			Type	Dir	TT	IT	Fee	Rate%	Tax Amount
Province: SAO PAULO	Brazil ICMS Sao Paulo	ICMS Interestadual			SN	O		I		7.0000%	BRL 70.00
Country: BRAZIL	Brazil IPI	DECRETO 11.158/22			SN	O				0.0000%	BRL 0.00
Country: BRAZIL	Brazil PIS	LEI 10.637/02 ART 2			SN	O		I		1.6500%	BRL 16.50
Country: BRAZIL	Brazil COFINS	LEI 10.833/03 ART 2			SN	O		I		7.6000%	BRL 76.00
Country: BRAZIL	Brazil CBS	LEI COMPLEMENTAR 214/2025, TITULO VIII, CAP I, SECAO II, ART 346			SN	O				0.9000%	BRL 7.54
City: MANAUS	Brazil IBS City Manaus	Tax Reform			S	O	NONE			0.0000%	BRL 0.00
Province: AMAZONAS	Brazil IBS Amazonas	LEI COMPLEMENTAR 214/2025, TITULO VIII, CAP I, SECAO I, ART 343			SN	O				0.1000%	BRL 0.84
		Total Amount (BRL)		Total Gross Amount (BRL)		Effective%		Exempt Amount (BRL)		Total Tax Amount (BRL)	
		1,170.88		1,000.00		17.0880		0.00		170.88	

Products – Full Rates – 2027

The following scenario presents an example of the tax authorities (Brazil IBS Sao Paulo and Brazil IBS City Sao Paulo) with the application of the full tax rate expected for 2027, in compliance with Brazil's Tax Reform:

Transaction: Interstate

Document effective date: 01/01/2027

Ship FROM: Manaus-AM/ Ship TO: Sao Paulo-SP

SCENARIO DETAILS											
		RESULTS		XML							
		Total Amount		Gross Amount		Effective%		Exempt Amount		Tax Amount	
Line 1		BRL	135.90	BRL	100.00	35.9000	BRL	0.00	BRL	35.90	
CALCULATION BREAKDOWN											
		AUTHORITY MESSAGES		SYSTEM MESSAGES							
Zone	Authority	Invoice Description			Type	Dir	TT	IT	Fee	Rate%	Tax Amount
Province: AMAZONAS	Brazil ICMS Amazonas	ICMS Interestadual			SI	O				12.0000%	13.64
Country: BRAZIL	Brazil IPI	DECRETO 11.158/22			SI	O				15.5000%	22.16
City: SAO PAULO	Brazil IBS City Sao Paulo SP	LEI COMPLEMENTAR 214/25, LIVRO I, TITULO VIII, CAP I, SECAO I, ART 344			SI	O				0.0000%	0.00
Province: SAO PAULO	Brazil IBS Sao Paulo	LEI COMPLEMENTAR 214/25, LIVRO I, TITULO VIII, CAP I, SECAO I, ART 344			SI	O				0.0000%	0.00

There is still no defined tax rate for 2027; we are awaiting the publication of the applicable legislation.

2.2 - Products – Reduced Rates - 2026

The following scenario shows an example of the new authorities (Brazil CBS, Brazil IBS Amazonas, and Brazil IBS City Manaus) with the application of tax rate reductions in compliance with Brazil's Tax Reform:

Transaction: Interstate

Document effective date: 01/01/2026

Ship FROM: Sao Paulo-SP / Ship TO: Manaus-AM

SCENARIO DETAILS											RESULTS	XML
		Total Amount		Gross Amount			Effective%		Exempt Amount		Tax Amount	
Line 1		BRL 1,005.86		BRL 1,000.00			16.8360		BRL 0.00		BRL 168.36	
CALCULATION BREAKDOWN												
AUTHORITY MESSAGES												
SYSTEM MESSAGES												
Zone		Authority		Invoice Description		Type	Dir	TT	IT	Fee	Rate%	Tax Amount
Province: SAO PAULO		Brazil ICMS Sao Paulo		ICMS Interestadual		SN	O		I		7.0000%	BRL 70.00
Country: BRAZIL		Brazil IPI		DECRETO 11.158/22		SN	O				0.0000%	BRL 0.00
Country: BRAZIL		Brazil PIS		LEI 10.637/02 ART 2		SN	O		I		1.6500%	BRL 16.50
Country: BRAZIL		Brazil COFINS		LEI 10.833/03 ART 2		SN	O		I		7.6000%	BRL 76.00
Country: BRAZIL		Brazil CBS		TESTE REDRATE 30		SN	O	NONE			0.9000%	BRL 5.28
City: MANAUS		Brazil IBS City Manaus		Tax Reform		S	O	NONE			0.0000%	BRL 0.00
Province: AMAZONAS		Brazil IBS Amazonas		BR TAX REFORM		SN	O	NONE			0.1000%	BRL 0.58
		Total Amount (BRL)		Total Gross Amount (BRL)		Effective%		Exempt Amount (BRL)		Total Tax Amount (BRL)		
		1,168.36		1,000.00		16.8360		0.00		168.36		

2.3 - Products – Zero Rate - 2026

The following scenario shows an example of the authorities (Brazil CBS, Brazil IBS Amazonas, and Brazil IBS City Manaus) with the application of tax rate zero in compliance with Brazil's Tax Reform:

Transaction: Interstate

Document effective date: 01/01/2026

Ship FROM: Sao Paulo-SP / Ship TO: Manaus-AM

SCENARIO DETAILS												RESULTS	XML							
				Total Amount		Gross Amount			Effective%		Exempt Amount		Tax Amount							
— Line 1		BRL		1,000.00		BRL		1,000.00			16.2500		BRL		0.00		BRL		162.50	
CALCULATION BREAKDOWN				AUTHORITY MESSAGES				SYSTEM MESSAGES												
Zone		Authority				Invoice Description		Type	Dir	TT	IT	Fee	Rate%	Tax Amount						
Province: SAO PAULO		Brazil ICMS Sao Paulo				ICMS Interestadual		SN	O		I	7.0000%	BRL	70.00						
Country: BRAZIL		Brazil IPI				DECRETO 11.158/22		SN	O			0.0000%	BRL	0.00						
Country: BRAZIL		Brazil PIS				LEI 10.637/02 ART 2		SN	O		I	1.6500%	BRL	16.50						
Country: BRAZIL		Brazil COFINS				LEI 10.833/03 ART 2		SN	O		I	7.6000%	BRL	76.00						
Country: BRAZIL		Brazil CBS				LEI COMPLEMENTAR 214/2025, TITULO IV, CAP IV, SECAO I, ART 143		SN	O			0.0000%	BRL	0.00						
City: MANAUS		Brazil IBS City Manaus				Tax Reform		S	O	NONE		0.0000%	BRL	0.00						
Province: AMAZONAS		Brazil IBS Amazonas				LEI COMPLEMENTAR 214/2025, TITULO IV, CAP IV, SECAO I, ART 143		SN	O			0.0000%	BRL	0.00						

Products – Reduced Rates – 2027

Scenario simulation considering a zero rate in the tax rate as there is still no legal confirmation regarding the extension of this reduction to 2027.

Transaction: Interstate

Document effective date: 01/01/2027

Ship FROM: Manaus-AM/ Ship TO: Sao Paulo-SP

SCENARIO DETAILS

BRASIL

IRS

Line 1

IRL

Total Amount

135.85

IRL

Gross Amount

100.00

Effective's

35.8500

IRL

Exempt Amount

0.00

IRL

Tax Amount

35.85

CALCULATE RESULTS

AUTHORITY MESSAGES

SYSTEM MESSAGES

Zone	Authority	Invoice Description	Type	Dr	Yr	It	Fee	Rate%	Tax Amount
Province: AMAZONAS	Brasil: CMR Amazonas	CMR Interstadual	SI	0			12.0000%	IRL	13.84
Country: BRAZIL	Brasil: PI	DESAFIO 11/1902	SI	0			19.5000%	IRL	22.16
City: SAO PAULO	Brasil: RS-City: Sao Paulo SP	L33: COMPLEXIDADE TAXAS, LVARO 1, TITULO VBR, CUP 1, DECAO 1, ART 344	SI	0			0.5000%	IRL	0.65
Province: SAO PAULO	Brasil: RS Sao Paulo	Tax: Reten 2027 - Zero Rate	SI	0	NONE		0.0000%	IRL	0.00

Total Amount (R\$)

135.85

Total Gross Amount (R\$)

100.00

Effective's

35.8500

Exempt Amount (R\$)

0.00

Total Tax Amount (R\$)

35.85

2.4 - Services – Zero Rate

The following scenario shows an example of the authorities (Brazil CBS, Brazil IBS São Paulo, and Brazil IBS City São Paulo) with the application of the standard and zero tax rates in accordance with Brazil's Tax Reform:

Transaction : Intrastate

Document effective date : 01/01/2026

Ship FROM: Sao Paulo-SP / Ship TO: Sao Paulo-SP

SCENARIO DETAILS

RESULTS

XML

Document Information*

Transaction Information

Document Addresses*

Configure Groups

VAT Registrations

Establishments

Exemptions and Licenses

Overrides

Custom Fields

Document Line Information*

Comments

Document Line Information

Calculation Type*

Forward

Actions

Description

Product Code

Product Code Type

Commodity Code

UoM

Part No.

Capacity

Quantity

1

4.01

1

BRL

LINE INFORMATION

TRANSACTION INFORMATION

ADDRESSES

VAT REGISTRATIONS

ESTABLISHMENTS

EXEMPTIONS AND LICENSES

OVERRIDES

CUSTOM FIELDS

OVERRIDES

TAX TYPES

CALCS

QUALIFIERS

TRANSPORTATION TYPES

REPORTS

Action

End Use

1.2301.22.00

Add

SCENARIO DETAILS		RESULTS	XML								
		Total Amount	Gross Amount		Effective%	Exempt Amount		Tax Amount			
Line 1		BRL 1,304.46	BRL 1,000.00	30.4460	BRL 0.00	BRL 304.46					
CALCULATION BREAKDOWN		AUTHORITY MESSAGES	SYSTEM MESSAGES								
Zone	Authority	Invoice Description	Type	Dir	TT	IT	Fee	Rate%	Tax Amount		
City: SAO PAULO	Brazil ISS Sao Paulo	Standard Rated Lista de Servicos da Lei Complementar 116/2003	S	I			5.0000%	BRL	58.31		
City: SAO PAULO	Brazil IBS-City Sao Paulo SP	IBS-CITY	NL	I	NONE		0.0000%	BRL	0.00		
Province: SAO PAULO	Brazil IBS Sao Paulo	LEI COMPLEMENTAR 214/25, LIVRO I, TITULO VIII, CAP I, SECAO I, ART 343	S	I			0.1000%	BRL	1.00		
Country: BRAZIL	Brazil PIS	LEI 10.637/02 ART 2	S	I			1.6500%	BRL	19.24		
Country: BRAZIL	Brazil COFINS	LEI 10.833/03 ART 2	S	I			7.6000%	BRL	88.63		
Country: BRAZIL	Brazil INSS Withholding	INSTRUCAO NORMATIVA 2110/22 ART 112, I	S	I			11.0000%	BRL	128.28		
Country: BRAZIL	Brazil CBS	LEI COMPLEMENTAR 214/2025, TITULO VIII, CAP I, SECAO II, ART 346	S	I			0.9000%	BRL	9.00		
Total Amount (BRL)		1,304.46	Total Gross Amount (BRL)		1,000.00	Effective%	30.4460	Exempt Amount (BRL)	0.00	Total Tax Amount (BRL)	304.46

2.5 Content for ZFM (Manaus Free Trade Zone)

To meet the specific requirements applicable to the Manaus Free Trade Zone (ZFM), it is mandatory to provide the locality that is part of the incentivized area. Additionally, we have incorporated the “ART445” qualifier to govern the tax incentives and the classification of industrialized products manufactured in the region

SCENARIO DETAILSRESULTSXML

Document Information*Transaction InformationDocument Addresses*Configure GroupsVAT RegistrationsEstablishmentsExemptions and LicensesOverridesCustom FieldsDocument Line Information*Comments

Document Addresses

Location Set

SHIP TOSHIP FROMORDER ORIGINORDER ACCEPTANCEBILL TOSUPPLY TOMIDDLEMANSELLER'S PRIMARYBUYER'S PRIMARY

Ship To

Geo AddressLat and Long Coordinates

CountryBR - Brazil

Province/StateAMAZONASCounty or District

CityMANAUSPostal Code

Make sure your address is correct.
If the address contains typos or other errors, the calculation may not be accurate.

Address Attributes

Facility to

☐ ICS Registered Facility

☐ Bulk Storage Facility

Branch to

☐ Bonded

< PREVIOUSNEXT>SAVE

SAVE AND VIEW RESULTSCANCEL

This qualifier information must be entered in the overrides field

SCENARIO DETAILSRESULTSXML

Document Information*Transaction InformationDocument Addresses*Configure GroupsVAT RegistrationsEstablishmentsExemptions and LicensesOverridesCustom FieldsDocument Line Information*Comments

Document Line Information

Calculation Type

Forward

Actions	Description	Product Code	Product Code Type	Commodity Code	Unit	Part No.	Capacity	Quantity	Gross Amount
1			-None-	3303				1	BRL1000

LINE INFORMATIONTRANSACTION INFORMATIONADDRESSESVAT REGISTRATIONSESTABLISHMENTSEXEMPTIONS AND LICENSESOverridesCUSTOM FIELDS

OVERRIDESTAX TYPESCALCSQualifiersTRANSPORTATION TYPESREPORTS

ActionEnd Use

ART445

Add

Add

< PREVIOUSNEXT>SAVE

SAVE AND VIEW RESULTSCANCEL

2.6 - Content for ALC (Free Trade Area)

To obtain the specific requirements applicable to the Free Trade Area (FTA), in accordance with legislation, it is mandatory to inform the location that is part of the incentive area. In addition, we have incorporated the qualifier “ART463” to govern tax incentives and the classification of industrialized products manufactured in the region.

FORMS DETAILSRESULTSDETAILS

Document Information*

Transaction Information

Document Addresses*

Configure Groups

VAT Registrations

Establishments

Exemptions and Licenses

Overrides

Custom Fields

Document Line Information*

Comments

Document Addresses

Location Set

SHIP TO

SHIP FROM

ORDER ORIGIN

ORDER ACCEPTANCE

BILL TO

SUPPLY TO

MIDDLEMAN

SELLER'S PRIMARY

BUYER'S PRIMARY

Ship To

Geo Address

Lat and Long Coordinates

Country

BR - Brazil

Province/State

AMAPA

City

MACAPA

County or District

Postal Code

Address Attributes

Facility Id

IRS Registered Facility

Bulk Storage Facility

Branch Id

Bonded

Make sure your address is correct.
If the address contains typos or other errors, the calculation may not be accurate.

PREVIOUSNEXTSAVE

SAVE AND VIEW RESULTSCANCEL

This qualifier information must be entered in the overrides field, as demonstrated below:

FORMS DETAILSRESULTSDETAILS

Document Information*

Transaction Information

Document Addresses*

Configure Groups

VAT Registrations

Establishments

Exemptions and Licenses

Overrides

Custom Fields

Document Line Information*

Comments

Document Line Information

Calculation Type

Forward

1	Actions	Description	Product Code	Product Code Type	Commodity Code	Unit	Part No.	Capacity	Quantity	Gross Amount
				- None -	3303.00.20				1	BRL 1000

LINE INFORMATION

TRANSACTION INFORMATION

ADDRESSES

VAT REGISTRATIONS

ESTABLISHMENTS

EXEMPTIONS AND LICENSES

OVERRIDES

CUSTOM FIELDS

OVERRIDES

TAX TYPES

CALCS

QUALIFIERS

TRANSPORTATION TYPES

REPORTS

Action

End Use

ART463

Add

PREVIOUSNEXTSAVE

SAVE AND VIEW RESULTSCANCEL

3 – CBS/IBS – VAT Registrations

New Registrations Masks in the CNPJ format to alphanumeric are now available. The new registration mask formats are scheduled to take effect in July 2026, which was made official through Joint Technical Note No. 2025.001 which was published by the Brazil government.

SCENARIO DETAILS

RESULTS

XML

Document Information*

Transaction Information

Document Addresses*

Configure Groups

VAT Registrations

Establishments

Exemptions and Licenses

Overrides

Custom Fields

Document Line Information*

Comments

VAT Registrations

VAT Group Registration

Action	Role	Registration
	Buyer	1234567890123
	Buyer	12345678901qqq
	Seller	123456789012
	Seller	12345678901qqq

+

Add

< PREVIOUS

NEXT >

SAVE

SAVE AND VIEW RESULTS

CANCEL

For more information, please the refer to the topic [Determination Registration Masks](#) publication.

4 – General Notes

For 2026, Determination, integration, and content have been enhanced to support the Complementary Law 214/2025.

- According to Technical Note 2025.002, version 1.20, published on the NF-e portal, there is a provision allowing the exclusion of IBS and CBS from the total amount of the Electronic Invoice in 2026, for example, in field VB01-10. However, considering that the Technical Note has an infra-legal nature and that the requirements applicable to taxpayers for using this exclusion have not been specified, Thomson Reuters will continue to include IBS and CBS both in the item-level totals and in total invoice amount. As a complementary measure, our calculation engine provides customers, through the **Company Admin Options**, with the ability to configure whether CBS and IBS should be in the composition of the total invoice amount. For the fiscal year 2027, we anticipate the inclusion of new Brazil Tax Reform legislation in the composition of the total invoice value.

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Dashboard Companies Configuration Exemption Certificate Tools Reports & Analytics Determination Anywhere Help

Company Information *
Company Role
Groups & Inheritance
Exemption Certificate Overrides
Operating Licenses
EU OSS and LVG
▲ Tax Logic & Company Admin
Interstate Taxable Revenue Percentage

Tax Logic & Company Admin

* Indicates a required field

Tax Logic Preferences

Message Threshold Preference
Informational: all messages

Override International Product Group
None

Override US Product Group
None

Company Admin Options

Options
Include CBS IBS tax amount in total tax amount

Values
Select
Select
Yes
No

➕ Add Option

< PREVIOUS Next > Save Cancel

- General rules have been made available for various products/services with zero rate, exemption (100%), 30% reduction, 40% reduction and 60% reduction. These rules require the definition of the cClassTrib according to the product or service used in the transaction. To ensure the correct application and definition of the information, the client should contact the Support team. Additionally, as provided for in Article 344, sole paragraph, item I, of Complementary Law No. 214/2025, the applicable rate reductions will remain valid for the year 2027. Therefore, tax treatments with reductions — such as 30%, 40%, and 60% reductions, when applicable — will continue to be considered in accordance with the rules and conditions established by the legislation in force.
- The current guidelines established by the Tax Reform determine that taxation must occur at the destination of the transaction. Considering this new assessment model, specific step-by-step instructions were developed to support the parameterization and creation of Municipal IBS authorities, as presented in Annex II, entitled "How to Create an Authority customized for Municipal IBS." This model will allow the client to configure any municipality in Determination.

5 - 2026 Calculation Method

A 2026 calculation method, Brazil CBS-IBS is available in Determination that supports the requirements established by the CBS and IBS authorities. Additionally, a new response element is available that identifies the reduction in the taxable basis, as provided for in the current legislation.

Product input type

Product and Service

Authority material list

Add Custom Product

Select

Calculation Method

Tax Code

Exempt Reason

Brazil CBS-IBS

SCENARIO DETAILS	RESULTS	XML
XML Input		1430 <CATEGORIES>CALCULATION</CATEGORIES>
Filtered XML Input		1431 <CODE>TAXABLE_BASIS_MODIFIED</CODE>
Allocated XML Input		1432 <MESSAGE_TEXT>The taxable basis for this line item has been modified. Basis Percentage of 100% has been applied.</MESSAGE_TEXT>
XML Output		1433 <SEVERITY>0</SEVERITY>
		1434 </MESSAGE>
		1435 <BUYER_REGISTRATION>1234567890123</BUYER_REGISTRATION>
		1436 <SELLER_REGISTRATION>123456789012</SELLER_REGISTRATION>
		1437 <OVERRIDE_RATE>0.0063</OVERRIDE_RATE>
		1438 <SOLE_ORDER>901.1</SOLE_ORDER>
		1439 <TAXABLE_COUNTRY>BR</TAXABLE_COUNTRY>
		1440 <TAXABLE_COUNTRY_NAME>BRAZIL</TAXABLE_COUNTRY_NAME>
		1441 <TAXABLE_PROVINCE>SAO PAULO</TAXABLE_PROVINCE>
		1442 <TAXABLE_CITY>BARUERI</TAXABLE_CITY>
		1443 <TAX_DIRECTION>0</TAX_DIRECTION>
		1444 <TAX_RATE_CODE>RR30</TAX_RATE_CODE>
		1445 <TAX_TYPE>SN</TAX_TYPE>
		1446 <ZONE_NAME>BRAZIL</ZONE_NAME>
		1447 <ZONE_FIPS_CODE>BR</ZONE_FIPS_CODE>
		1448 <ZONE_ISO_CODE>076</ZONE_ISO_CODE>
		1449 <ZONE_LEVEL>Country</ZONE_LEVEL>
		1450 <TAX_RATE>0.009</TAX_RATE>
		1451 <RATE_REDUCTION>0.3</RATE_REDUCTION>
		1452 <EFFECTIVE_RATE>0.0063</EFFECTIVE_RATE>
		1453 <CHANGE_OF_TAX>P</CHANGE_OF_TAX>
		1454 <EU_TRANSACTION>false</EU_TRANSACTION>
		1455 <AUTHORITY_CATEGORY>5</AUTHORITY_CATEGORY>
		1456 <AUTHORITY_UID>34349556-4973-27ba-e063-7059a20a5da</AUTHORITY_UID>
		1457 <TAX_TREATMENT>NONE</TAX_TREATMENT>
		1458 <AUTHORITY_CURRENCY_CODE>BRL</AUTHORITY_CURRENCY_CODE>
		1459 <CURRENCY_CONVERSION>

6 – BR TAX REFORM CODES

6.1 - CST Codes

CST-IBS/CBS codes identify the tax status of a good or service in relation to the taxes. These CST codes identify the tax treatments of taxed, exempt, subject to a reduced rate, or subject to special regimes. Correct use of a CST code is required for reporting information on Electronic Tax Documents (DF-e), such as the NF-e and the NFS-e. For more details, see Technical Report 2025.002 (governmental rule) - Version 1.11.

IBS Standard

CST CODE	CST DESCRIPTION
000	Tributação Integral
200	Alíquota zero Alíquota zero apenas CBS e reduzida em 60% para IBS Alíquota reduzida em 80% Alíquota reduzida em 70% Alíquota reduzida em 60% Alíquota reduzida em 50% Alíquota reduzida em 40% Alíquota reduzida em 30%
400	Isenção
410	Imunidade e não incidência
550	Suspensão

CBS Standard

CST CODE	CST DESCRIPTION
000	Tributação Integral
200	Alíquota zero Alíquota zero apenas CBS e reduzida em 60% para IBS Alíquota reduzida em 80% Alíquota reduzida em 70% Alíquota reduzida em 60% Alíquota reduzida em 50% Alíquota reduzida em 40% Alíquota reduzida em 30%
400	Isenção
410	Imunidade e não incidência
550	Suspensão

IBS CBS – Customizable Operations

CST CODE	CST DESCRIPTION
010	Tributação Alíquota - FGTS
011	Tributação Alíquota Uniforme e com Redução
220	Alíquota Fixa
221	Alíquota Fixa Proporcional
222	Redução de BC - Transporte Internacional de Passageiros
510	Diferimento - EE
515	Diferimento - Agro

CST CODE	CST DESCRIPTION
620	Tributação monofásica
800	Transferência de crédito
810	Ajustes
811	Ajustes
820	Tributação Regime Específico
830	Exclusão de BC - EE

6.2 – NBS – Brazilian Nomenclature of Services

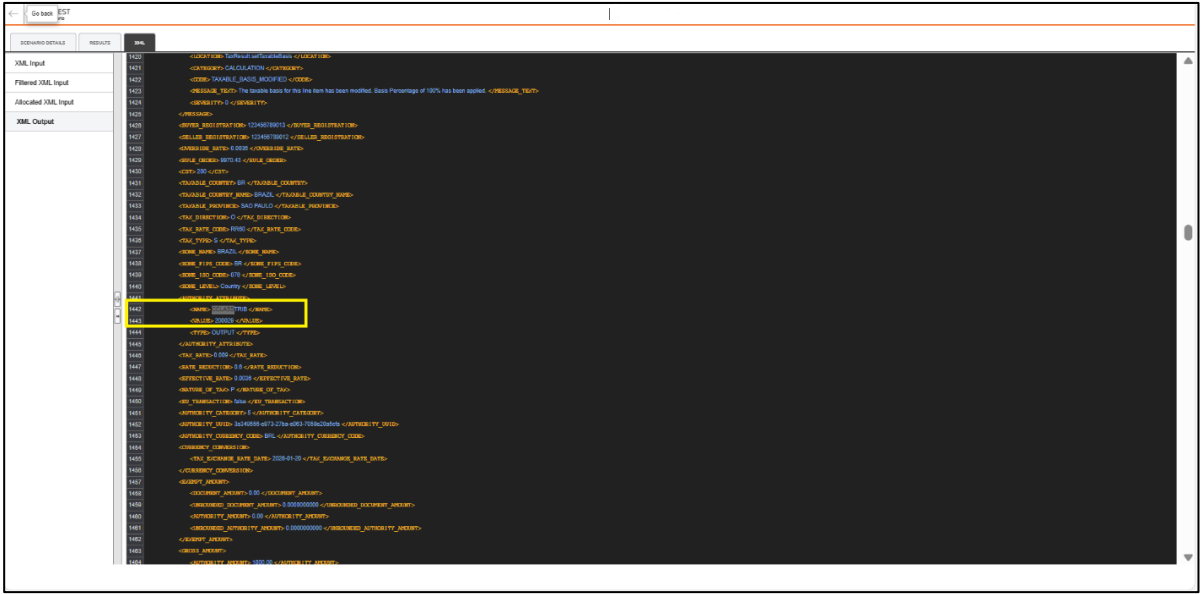
The content was provided in accordance with the correlation table of NBS items, the indicative codes for consumption operations (clndOp), and the classification codes for consumption operations (cClassTrib). In order for the content to be correctly applied, it is essential to provide the service code established in Complementary Law No. 116/2003, as well as the NBS code indicated in the correlation table made available by the RFB - Documentacao Tecnica - RFB .How to use the qualifier– vide example 2.4

SERVICES	
TAXATION	QUALIFIER
Reduction 30%	NBS or Article
Reduction 50%	
Reduction 70%	
Zero rate	
Exemption	
NBS or Article	

6.3 – cClasstrib content

The cClassTrib (Tax Classification Code) was created as part of the Consumption Tax Reform, as provided for by law: Complementary Law No. 214, dated January 16, 2025, which established the tax model with the CBS and IBS, and defined the CST and cClassTrib codes to classify tax operations.

These details can be accessed in the XML Output, as illustrated in the image below:



CST-IBS/CBS	DESCRIPTION	CCLASSTRIB	CST-IBS/CBS	DESCRIPTION	CCLASSTRIB
000	Tributação integral	000001	200	Alíquota reduzida em 70%	200027
200	Alíquota reduzida em 30%	200052	200		200003
200		200048	200		200004
200	Alíquota reduzida em 40%	200050	200		200005
200		200051	200		200007
200	Alíquota reduzida em 50%	200046	200		200008
200		200028	200		200009
200		200029	200		200010
200		200030	200	Alíquota zero	200011
200		200031	200		200013
200		200032	200		200014
200		200033	200		200016
200		200034	200		200021
200		200035	200		200022
200	Alíquota reduzida em 60%	200036	200		200023
200		200038	200		200024
200		200039	200	Alíquota zero apenas CBS e reduzida em 60% para IBS	200025
200		200040	400	Isenção	400001
200		200041	410	Imunidade	410008
200		200042			
200		200043			
200		200044			

The *cclasstrib* codes that are not listed above are eligible for customization.

2027 – Second Year of the Brazilian Tax Reform Transition Period

By 2027, our content will be standardized and updated to meet the needs of State IBS and IBS-City. At the state level, we ensure full coverage of all 27 federative units (UFs), with consistent authorities and parameters to support tax assessment and configuration in each state.

At the municipal level, we provide IBS-City content currently covering 834 municipalities, with rules and structures aligned with the destination-based taxation model, increasing calculation adherence and reducing maintenance/configuration effort for customers.

As an evolution of this municipal baseline, we have already published 188 new IBS-City authorities in the Q2 roadmap (delivery completed).

Additionally, for the Selective Tax — expected to start in January 2027 — the corresponding authority is available in the roadmap as the legal definitions advance. Although the Selective Tax authority is already available in the product, we continue to monitor future legislation and official guidance that may define key pending elements required for full implementation. The most relevant items still subject to further definition include the applicable tax rates, the detailed scope of products and classifications subject to the tax, and the specific calculation and compliance rules. Further product updates may be delivered as these definitions are formally published by the Brazilian tax authorities.

In addition, Thomson Reuters has been developing adjustments to some calculation methods, to be released in Q3/2026, to:

- a) include CBS, IBS and IS on a taxable basis of ISS.
- b) include CBS, IBS and IS on a taxable basis of ICMS.
- c) Include CBS/IBS on the taxable basis of IPI.
- d) Include IS on the taxable basis of CBS/IBS.

Thomson Reuters continues to closely monitor legislative developments related to Brazil's Indirect Tax Reform. Additional regulations and guidance are still expected to be enacted, and our Brazil Indirect Tax Research team reviews these updates daily. As new provisions are officially published, this document will be updated to reflect the latest information available.

With a long-standing commitment to delivering timely and accurate tax content, Thomson Reuters will support customers through ONESOURCE Determination throughout the Brazil Tax Reform transition. During this period, the solution will help manage both the current tax framework and the new system in parallel, as further details are defined by future legislation.

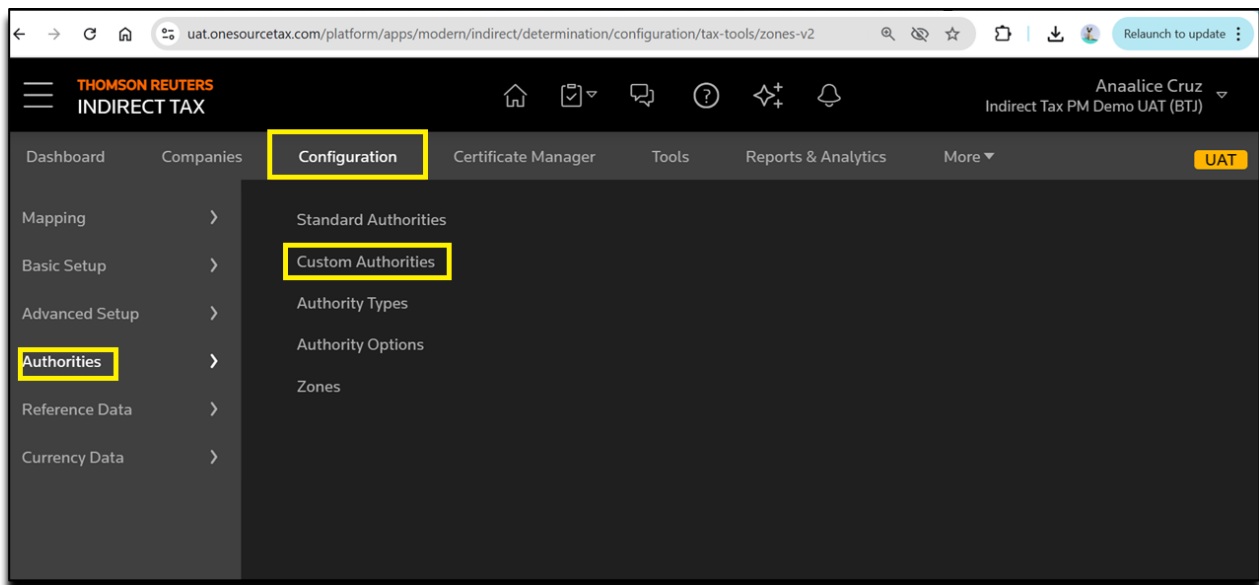
Annex I

How to create a custom authority for IBS-City

Step to create the custom Brazil Template IBS-City authority

Step 1: Create Custom Authority

1. Navigate to the Custom Authorities page (Configuration → Authorities → Custom Authorities)



2. Click on 'Add Custom Authority', select your company, select 'International Tax Data' under Tax Data Provider and select your desired template.

uat.onesourcetax.com/platform/apps/modern/indirect/determination/configuration/authorities/custom-v2

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Dashboard Companies **Configuration** Certificate Manager Tools Reports & Analytics Determination Anywhere Help Preview Features UAT

< Authorities

Custom Authorities

STANDARD AUTHORITIES 0 **CUSTOM AUTHORITIES 75**

+ ADD CUSTOM AUTHORITY View in Excel

	Actions	Links	Custom authority name ^	Company	Tax admin. level	Eff. tax level	Number of active
					All	All	
1	   	More	Brasil WHT ISS Sao Paulo	Brazil Test	City	City	1
2	   	More	Brazil CBS	Alternative Taxable Basis	Country	Country	1
3	   	More	Brazil CBS	Tax Reform Alternative	Country	Country	3
4	   	More	Brazil CBS	Tax Reform Pis and Cof...	Country	Country	2

Page 1 of 3 Go to page: Go (Showing 1 to 25 of 75) Items per page: 25

3. Fill in the information in the fields according to the screenshot below

uat.onesourcetax.com/platform/apps/modern/indirect/determination/configuration/authorities/custom-v2/add

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Dashboard Companies **Configuration** Certificate Manager Tools Reports & Analytics Determination Anywhere Help Preview Features UAT

< Add Custom Authority

* Indicates a required field

Company *
Brazil Test

Contact your administrator for access to locked companies.

Tax Data Provider * ⓘ
International Tax Data

Template * ⓘ
Template Brazil IBS-City

Authority * ⓘ

Authority Description (up to 100 characters allowed)

uat.onesourcetax.com/platform/apps/modern/indirect/determination/configuration/authorities/custom-v2/add

THOMSON REUTERS
INDIRECT TAX

Dashboard Companies **Configuration** Certificate Manager Tools Reports & Analytics Determination Anywhere Help Preview Features UAT

< Add Custom Authority

* Indicates a required field

Company *

Brazil Test

Contact your administrator for access to locked companies.

Tax Data Provider *

International Tax Data

Template *

Template Brazil IBS-City

Authority *

Ex. BRAZIL IBS-City Rio de Janeiro RJ

Authority Description (up to 100 characters allowed)

4. Add the name of custom authority in the Authority field. Modify the default attributes, if needed.

uat.onesourcetax.com/platform/apps/modern/indirect/determination/configuration/authorities/custom-v2/add

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Location Code *

ERP Tax Code *

Official Name

Tax Administration Level *

City

Effective Tax Level *

City

Product Group *

Brazil

Authority Type *

IBS-CITY - Brazil IBS-City

Authority Category *

Authority Unit of Measure *

Select

Authority FIPS *

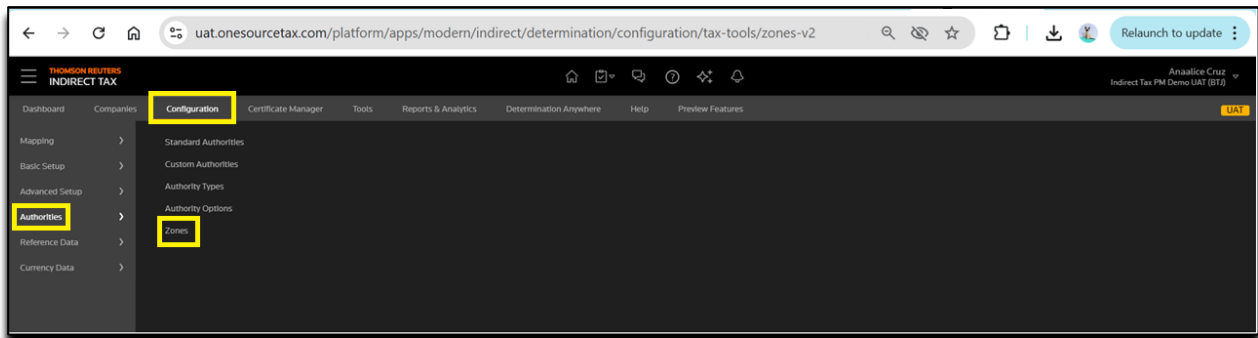
Distance Sales Threshold *

Registration Mask *

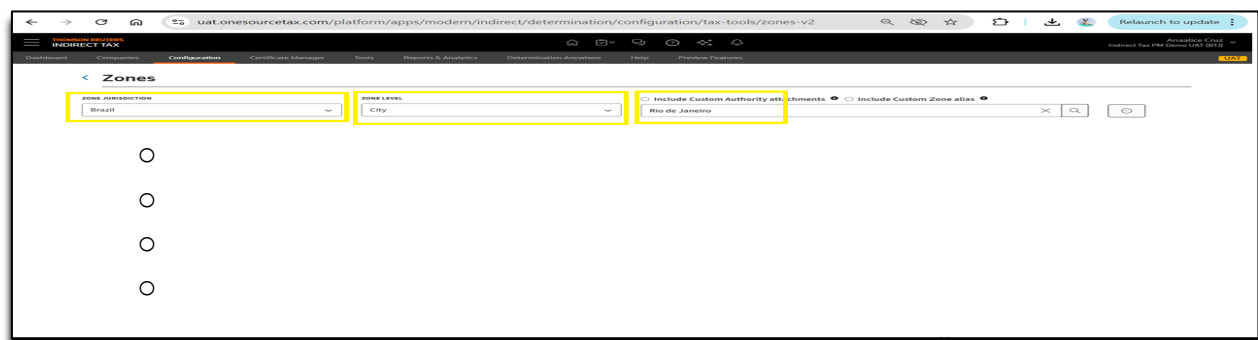
Simple Registration Mask *

SAVE CANCEL

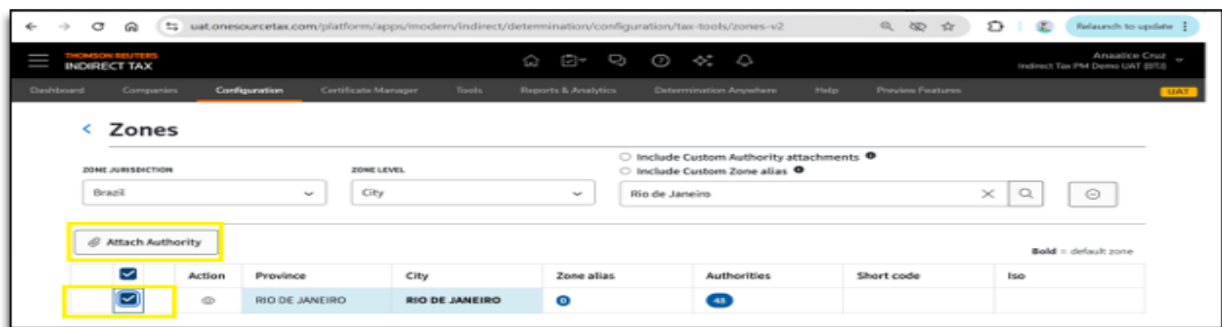
5. Specify locations where the new authority applies:
 - Choose (Configuration → Authorities → Zones).



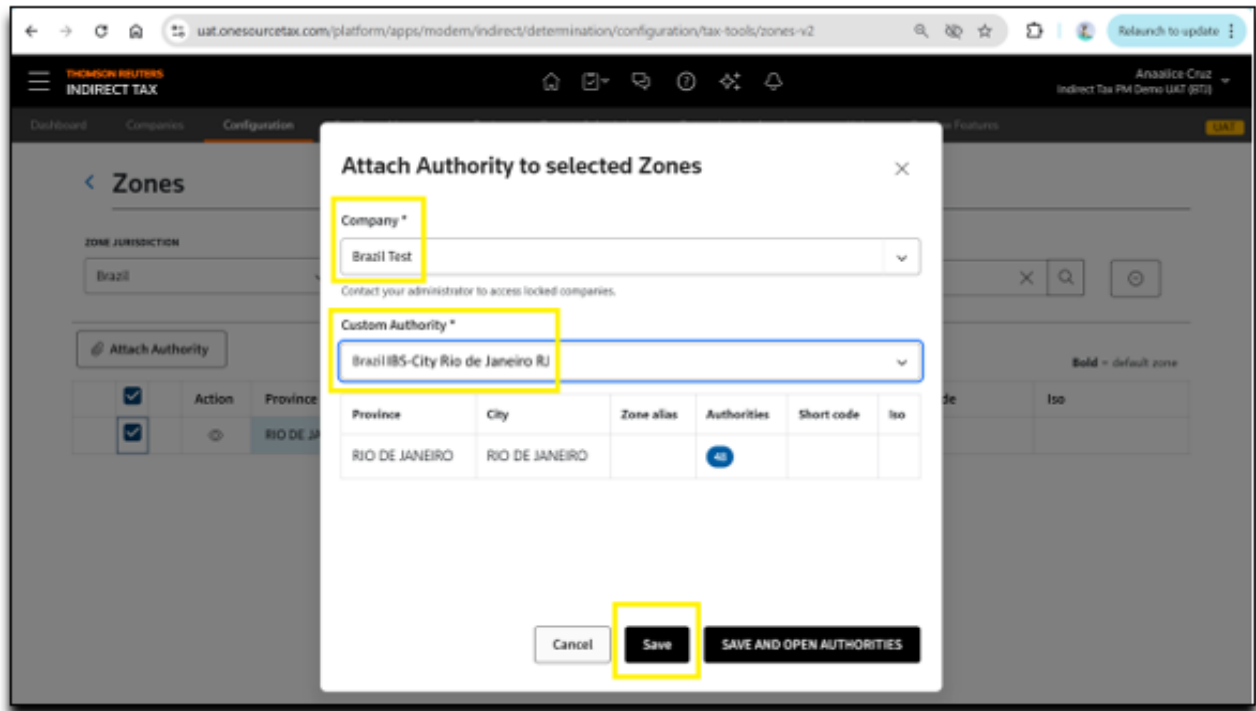
- Choose your 'Zone Jurisdiction' and search desired zone under search zone query.



- Select zones to which the authority needs to be attached and click on
- 'Attach Authority'.



- A new tab will open. Select your company, choose your custom authority, and click 'Save'.



Step 2: Add a Custom Rate

1 Navigate back to the Custom Authorities page, find your created custom authority:

- Create custom rates/fees and rules.

2. Configure the following parameters:

- Start date: January 1, 2026 / End date: December 31, 2026
Confirm the tax rate configuration

Dashboard Companies **Configuration** Exemption Certificate Tools Reports & Analytics Determination Anywhere Help Preview Features **PRODUCTION**

AUTHORITY DETAILS ZONES **RATES AND FEES** RULES CONTRIBUTING AUTHORITIES CURRENCY SPECIFICATIONS MOTOR FUEL MAPPING MATERIAL SETS RATE SETS

Rates and Fees > Add Custom Rate ✕

Company * * Indicates a required field
Brazil PT 36 Capitulo

Rate Code* (For custom data the first character must be numeric.)
444

Description
Zero Rate

Start Date* mm/dd/yyyy 01/01/2026
End Date mm/dd/yyyy 12/31/2026
Currency Select
Maximum Amount

Rate Type*
BASIC GRADUATED TIERED

Rate%* 0
Minimum Amount
Reduction%*

☐ Cascading

SAVE **CANCEL**

Step 3: Associate with Custom Rule

1. Create a custom rule for the IBS-City authority
2. Configure the rule parameters:

Start date: January 1, 2026 / End date: December 31, 2026

- Calculation method: Bazil CBS-IBS

3. Save the rule you created

Dashboard Companies **Configuration** Exemption Certificate Tools Reports & Analytics Determination Anywhere Help Preview Features **PRODUCTION**

AUTHORITY DETAILS ZONES RATES AND FEES **RULES** CONTRIBUTING AUTHORITIES CURRENCY SPECIFICATIONS MOTOR FUEL MAPPING MATERIAL SETS RATE SETS

Rules > Rule Code: 242 ⚙️ ✕

Company * * Indicates a required field
Brazil PT 36 Capitulo

Rule Code* 242

Start Date* 01/01/2026
End Date 01/01/2026
☐ Blended Product
☐ Manufacturing
☐ Non-Pass-Through
☐ ORC
☐ Qualifier
☐ Invoice Level Charge

Rule Option*
None

Rate Input Type*
☒ Rate and Fee Code
ZB - Zero Rate
☐ Rate sets

☐ Cascading

Authority Type*
Any

Tax Type*
Any

Product Input Type
☒ Product and Service
Add Custom Product
☐ Authority material list

Calculation Method*
Brazil CBS-IBS
Tax Code*
IBS-City RJ
Exempt Reason*

Invoice Description*
Input Recovery
PERCENTAGE AMOUNT
Input Recovery (%)
100

Authority Unit of Measure*
Select
Tax Treatment*
None
Comment / ERP Override*

Basis Percentage (%)
100
Basis Percentage 2 (%)
Basis Percentage 3 (%)

DOCUMENT LEVEL QUALIFIERS(END USES) **LINE LEVEL QUALIFIERS(END USES)**

Step 4: Test the Configuration

- 1. Create a test scenario with a date after January 1, 2026
- 2. Check that IBS-City in the rule
- 3. Confirm that the calculation is working correctly

Dashboard

Companies

Configuration

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Determination Anywhere

Help

Preview Features

PRODUCTION

←

Template IBS-City 2026 1st January

Model Scenario

Brazil PT 36 Capitulo

Company

SCENARIO DETAILS

RESULTS

XML

— Line 1

BRL

1,260.70

BRL

1,000.00

26.0700

BRL

0.00

BRL

260.70

CALCULATION BREAKDOWN

AUTHORITY MESSAGES

SYSTEM MESSAGES

Zone	Authority	Invoice Description	Type	Dir	TT	IT	Fee	Rate%	Tax Amount
City: RIO DE JANEIRO	Brazil ISS Rio De Janeiro	LEI 691/84 ART 33, II, ITEM 14	S	O				2.0000%	BRL 22.54
City: RIO DE JANEIRO	Brazil IBS-City Rio De Janeiro RJ	LEI COMPLEMENTAR 214/25, LIVRO I, TITULO VIII, CAP I, SECAO I E ART 343	S	O				0.0000%	BRL 0.00
Province: RIO DE JANEIRO	Brazil IBS Rio de Janeiro	LEI COMPLEMENTAR 214/25, LIVRO I, TITULO VIII, CAP I, SECAO I, ART 343	S	O				0.1000%	BRL 1.00
Country: BRAZIL	Brazil PIS	LEI 10.637/02 ART 2	S	O				1.6500%	BRL 18.59
Country: BRAZIL	Brazil COFINS	LEI 10.833/03 ART 2	S	O				7.6000%	BRL 85.63
Country: BRAZIL	Brazil INSS Withholding	INSTRUCAO NORMATIVA 2110/22 ART 112, XXI	S	O				11.0000%	BRL 123.94
Country: BRAZIL	Brazil CBS	LEI COMPLEMENTAR 214/2025, TITULO VIII, CAP I, SECAO II, ART 346	S	O				0.9000%	BRL 9.00

Total Amount (BRL)

1,260.70

Total Gross Amount (BRL)

1,000.00

Effective%

26.0700

Exempt Amount (BRL)

0.00

Total Tax Amount (BRL)

260.70