ONESOURCE Indirect Tax

International Content January Update

Issue Date: 30 December 2025

Update No: 2

ABOUT THIS UPDATE

The January Content Update #2 for ONESOURCE Indirect Tax Determination contains updates to International Content. Details related to these updates are included in the January Content Update #2 Change Report. This Change Report contains all changes to Standard Content included in the 2026.1.2.G/G and 2026.1.2.G/G.2 files. Versions 5.5.0.0 and above are supported by this update.

IMPORTANT NOTE REGARDING CONTENT UPDATE VERSIONS

In Determination 5.7.0.0, Thomson Reuters added tables and columns to the tax content database in support of Compliance and Allocated Charge functionality. Tax content data created for these features is not available in Determination versions 5.7.0.3 and prior. Thomson Reuters has therefore made the decision to produce two versions of tax content. The Content Update version that you download and import into your system depends on your currently installed version of Determination.

If you are running Determination 5.7.0.3 or prior, you must use Compatibility Version G tax content.

If you are running Determination 5.8.0.0 or later, you must use Compatibility Version G.2 tax content.

For more information about accessing and installing the correct content, see **Applying the Content Update** at the end of this letter.

CONTENT UPDATES

Authority Updates

Brazil

Follow the changes highlighted below:

BR - Current Taxation

- We created rules content for Brazil IPI authorities Decree No. 12,665/2025, which amends Decree No. 11,158/2022. The Decree introduces Ex-Tariffs with a uniform rate of 6.75% applicable to certain disposable plastic and paper products classified under NCM codes 3917.32.29, 3924.10.00, 4823.69.00, and 4823.90.99, effective of February 1, 2026.
- We created and updated rules content for Brazil IPI authorities to GECEX Resolution No. 812/2025, which amends the Mercosur Common Nomenclature (NCM) and its corresponding Common External Tariff (CET), pursuant to GMC Resolutions No. 17/25, 18/25 and 19/25, and amends GECEX Resolution No. 272 of November 19, 2021. All changes will take effect in February 2026.
- We have updated the content in accordance with the provisions set forth in Rulings Nos. 41 and 44/25, which amended several ICMS Protocols and Agreements affecting multiple states, effective as of January 1, 2026.
- We created rules to implement Decree No. 58,533/25 for Rio Grande do Sul State, related to ICMS exemption in transactions with *Duvyzat (givinostat)* medication, until December 31, 2026.
- We created rules to implement Decree 37,026/25 for Ceara State, which approved some adjustments for ICMS Agreements/Protocols, including Agreement 156/25.

- We created rules to implement Decree 35,208/25 for the State of Rio Grande do Norte, which extend in its Article 7 the validity initially established by Article 11 of Decree 35,079/25 for Article 30-A of RICMS-CE, moving the effective date from January 1, 2026, to February 1, 2026.
- We created and updated rules for several ISS and ISS WHT authorities.

BR – Tax Reform

- We created rules for CBS Brazil and State IBS authorities with the qualifier ART448 to address the zero tax rates applicable to Free Trade Area content.
- We created rules for the CBS Brazil and State IBS authorities with the ART9IV qualifier to comply with the immunity provided for in Article 9 of LC 214/2025 for books, newspapers, periodicals, and paper intended for printing.
- We created rules with a 40% reduction for CBS Brazil and State IBS authorities with the ART287 qualifier to comply with Art. 287 of LC 214/2026 on freight air transport.

Ecuador

We implemented an increase in the VAT rate from 13 % to 15 %, in accordance with Circular No. NAC-DGECCGC25-00000006, effective January 1, 2026.

Finland

We decreased the reduced VAT rate from 14% to 13.5%, effective from January 1, 2026, in accordance with laws 1358/2025 and 1359/2025, published on December 29, 2025.

Germany

We implemented the reduced VAT rate of 7% on restaurants and catering services, excluding the sale of beverages, effective January 1, 2026, in accordance with the Tax Amendment Act 2025.

Ghana

We created and updated rates and rules to reflect the changes announced in the 2026 Budget Speech, including the removal of the COVID-19 levy. Additionally, we set the Turn Off Authority value to “Yes” for the Ghana COVID-19 Health Recovery Levy authority. These changes are effective January 1, 2026.

Liberia

We increased the GST rate from 12% to 13% in accordance with the 2026 Budget Act, effective January 1, 2026.

Mexico

We implemented IEPS changes under Acuerdo 179/2025, adjusting IEPS fees for gasoline, diesel, and other fuels, effective from January 1, 2026.

Additionally, we maintained the reduced VAT benefit for the Mexico Frontier Zone and Mexico Frontier Zone - Southern Region authorities, in accordance with the Resolución Miscelánea Fiscal 2026. This benefit remains linked to tax code “FRONTIERZONE”, and customers may choose whether to apply it.

Moldova

We implemented the reduced VAT rate of 8% for the domestic supply and distribution of natural gas, as well as for goods registered in the State Register of Medical Devices. Additionally, we introduced the zero VAT rate for imports of natural gas and the supply of electricity. These changes take effect on January 1, 2026.

Portugal

We created and updated rules to reflect the changes under the 2026 Budget, effective January 1, 2026. The changes include applying the reduced VAT rate to olive oil production, artwork sales in galleries, and game meat, set at 6% in mainland Portugal and 4% in Madeira and the Azores. Additionally, we extended VAT exemptions for agricultural inputs and pet food supplied to animal welfare until December 31, 2026.

Togo

We implemented VAT changes under 2026 Finance Budget Law, effective from January 1, 2026. These measures extend VAT exemptions for certain vehicles, new electric motorcycles and their batteries. We also introduced VAT exemptions for feed products for local livestock and fisheries, as well as for certain animal products processed by duly registered farmers.

Registration Masks

A document describing registration masks is available in ONESOURCE Help and Support and is linked to online help. This document describes and gives examples of all registration masks currently supported in ONESOURCE Determination, and is available by signing in and searching at the following link:

Determination Registration Masks

UPDATES

Global Product Group

ONESOURCE Indirect Tax Determination is excited to announce the creation of a new Global Product Group (GPG). This enhancement will allow customers to use a single commodity code—or a single product mapping—regardless of geography, anywhere in the world.

Beginning with the January 2026 Content Update #1, customers will begin seeing additional content to support the Global Product Group. This initial release includes more than 44,000 new products, with a focus on customer needs in the United States, Canada, and Mexico.

Please note that these products will not be visible in the ONESOURCE Indirect Tax Determination Cloud application until the 2026.1 release, scheduled to go live in the production environment on February 4, 2026. In addition, these GPG products will not be available for use in transactional tax determination requests until standard content for the Global Product Group is released. Taxability for the GPG products is still in process and will be included in future upcoming releases.

Future releases will continue to add content as we expand our global offering. Please watch for additional release notes throughout 2026 and beyond.

FUTURE UPDATES

Zone Updates

In the March 2026 Content Update #1, we will implement zone changes for Greece to reflect current administrative divisions in the country.

Greece

Zones to be removed at the province level:

- Cyclades
- Dodecanese
- Northern Sporades

New zones to be added at the county level:
- Andros
- Euboea
- Karpathos
- Kavala
- Kea-Kythnos
- Kos
- Milos
- Mykonos
- Naxos
- Paros
- Rhodes
- Sporades
- Syros

• Thira
• Tinos

City level zones – parent reassignments:

- Alonissos, Skiathos, Skopelos → Sporades (county level)
- Amorgos, Naxos → Naxos (county level)
- Andros → Andros (county level)
- Antiparos, Paros → Paros (county level)
- Astipalea, Kalimnos, Leros, Patmos → Kalymnos (county level)
- Folegandros, Ios, Santorini, Sikinos → Thira (county level)
- Halki, Kastellorizo, Rhodes, Simi, Tilos → Rhodes (county level)
- Karpathos, Kassos → Karpathos (county level)
- Kos, Nissiros → Kos (county level)
- Kythnos → Kea-Kythnos (county level)
- Milos, Serifos, Sifnos → Milos (county level)
- Mykonos → Mykonos (county level)
- Samothrace → Evros (county level)
- Skiros → Euboea (county level)
- Syros → Syros (county level)
- Thasos → Kavala (county level)
- Tinos → Tinos (county level)

Zone level changes:

- Chios – from province to county level
- Lesbos – from province to county level
- Samos – from province to county level
- Skiros – from province to city level

NOTIFICATIONS

Belarus

We are monitoring the legislative process for the draft law "On Amendments to Laws on Tax Relations", which is expected to enter into force on January 1, 2026. Key changes include the introduction of a 10% VAT rate for quail products and certain meat products. We will implement these changes once the legislation is enacted.

Belgium

We are monitoring the government's proposed VAT measures, including an increase from 12% to 21% for supplies of pesticides and plant protection products, and from 6% to 12% for certain categories of takeaway food. We will implement these changes once the relevant legislation is enacted.

Brazil

- The rules related to the PIS and COFINS segment are updated with an end date of 12/31/2026. The changed content is available in detail in the change report of each Release.
- Decree No. 49,136/2025 of the Minas Gerais State, published on November 28, 2025, changed the effective date of Decree 49,107/2025 from December 1, 2025, to April 1, 2026. Decree 49,107/2025 revised the methodology for determining the calculation bases applied to ICMS tax substitution on transactions involving medicines and pharmaceutical products.
- As part of this a broader initiative to support the taxation of services in Brazil, in this release has been delivered the new template for the IBS-City, which

introduces a customized tax authority model, enabling customers to configure any content (IBS-City) – please see the details in 2026 BR Tax Reform Guide.

Brazil Tax Reform Updates

The Tax Reform in Brazil was approved originally through the Proposal of Amendment to the Constitution (PEC 45/2019), resulting in the Constitutional Amendment 132/2023. The approval of the tax reform represents a monumental change in the Brazilian Indirect Tax System, concluding an internal debate that spanned several decades.

The recent issuance of Complementary Law 214/25 represents other significant advancement in establishing the framework of Brazil's new tax regime. The final text of this law remains almost in total consistent with the original Proposal of Complementary Law No. 68/24 (PLP). This Complementary Law establishes the foundation for the new taxes, and it also introduces regulations regarding reduced tax rates, specific tax regimes for several sectors, and some methods of tax payment, among other provisions.

The tax changes proposed in EC 132/23 and with Complementary Law aims consolidate five current federal and state taxes (PIS, COFINS, IPI, ICMS and ISS) into the following categories:

a) Social Contribution on Goods and Services (CBS) – Under the jurisdiction of the Federal Government, this consolidates the following taxes: PIS, COFINS, and IPI.

b) Selective Tax (IS) – Under the jurisdiction of the Federal Government, this replaces the IPI and applies exclusively to products that are harmful to health and the environment.
c) Tax on Goods and Services (IBS) – Under the jurisdiction of the States and Municipalities Governments, this consolidates the following taxes: ICMS and ISS.

In ONESOURCE Determination Enterprise Cloud we have already uploaded some elements as described below:

- Authorities of CBS/IBS
- Full Rates CBS/IBS
- Reduced Rates for CBS/IBS
- New Rules to support CBS/IBS product taxability
- Updates in CST codes applicable for CBS/IBS (standard codes)
- NBS Codes
- cClasstrib Codes

We prepared a document ONESOURCE Indirect Tax Determination Brazil Tax Reform FAQ with frequently asked questions about tax reform, which can be viewed at the following link: Brazil Tax Content Documentation.

We prepared a guide with clear instructions on how our ONESOURCE Determination Enterprise is addressing Brazil's Tax Reform starting in 2026, covering the new taxes CBS (federal) and IBS (state/municipal). The document outlines applicable rules, rates/fees, details of new calculation methods, and some examples, which can be viewed at the following link: Brazil Tax Content Documentation.

Colombia

We are monitoring the legislative process for proposed tax reforms related to the 2026 Budget, including the elimination of reduced VAT for hybrid vehicles, preferential VAT rates for liquid fuels, and the zero VAT rate for renewable energy equipment, effective January 1, 2026. We will implement these changes once the relevant legislation is enacted.

Denmark

We are monitoring the legislative process for changes proposed in the 2026 Budget, including the abolition of VAT on books (printed, electronic, and audiobooks) effective July 1, 2026. We will implement these changes once the relevant legislation is enacted.

Egypt

The Ministry of Finance announced a 'second tax facilitation package,' expected to include VAT measures supporting investment and the healthcare sector. We are monitoring developments and will implement VAT changes once the relevant legislation is enacted.

Estonia

We will update the standard rate of 24% to reflect the indefinite end date in one of the upcoming content updates.

Ireland

We are monitoring the legislative process for VAT amendments proposed by the Finance Bill 2025. The changes include a retroactive extension of the 9% VAT rate on supplies of immovable property and construction services related to apartments for sale, effective November 26, 2026, as well as the introduction of a reduced 9% VAT rate for restaurant and catering services, and hairdressing services, effective July 1, 2026. We will implement these changes once the relevant legislation is promulgated.

Kyrgyzstan

We are monitoring the legislative process for the proposed VAT rate reduction for domestic agricultural products effective January 1, 2026, as well as the extension of the zero VAT rate on certain agricultural products until December 31, 2027. We will implement these changes once the relevant legislation is enacted.

Madagascar

We are monitoring the legislative process for VAT amendments proposed by the 2026 State Budget, including the removal of exemptions on certain goods. We will implement these changes once the relevant legislation is enacted.

Portugal

We are monitoring the legislative process for the proposed temporary VAT reduction on residential construction and rehabilitation. We will implement the changes once the relevant legislation is enacted.

Sweden

We are monitoring the legislative process for the proposed VAT reduction on food from 12% to 6%, which is scheduled to take effect from April 2026 until December 2027. We will implement the change once the relevant legislation is enacted.

Zimbabwe

We are monitoring the government's proposal to increase the standard VAT rate from 15% to 15.5%, scheduled to take effect on January 1, 2026. We will implement this change once the relevant law is officially published.

APPLYING THE CONTENT UPDATE

The update process has two steps:

- Downloading the Update
- Installing the Update

Downloading the Update

Go to the Indirect Tax Customer Center (https://customercenter.sabrix.com/sabrixcc/) to download monthly content updates, then follow these steps:

- Log on to the ONESOURCE Customer Center using the username and password assigned to you by Customer Support.
- Select the platform on which you will install this tax data. This is the ONESOURCE Indirect Tax Determination version you are running.
- Select the Currently Installed Version of your content Sabrix INTL Tax Data based on your current version of Determination:

- Determination versions 5.7.0.3 and earlier require (2026.1.1.G/G).
- Determination versions 5.8.0.0 and later require (2026.1.1.G/G.2).

- Select **Download** and save the file (2026.1.2.G/G) or (2026.1.2.G/G.2) to a directory on the system hosting the ONESOURCE Indirect Tax Determination or to a networked folder that can be accessed by that system.

Installing the Update

To install the content update:

1. Log on to Determination.
2. Navigate to **Menu > System > Import/Export**.
3. Select **Import**, then select **Browse** to locate your file.
4. Select the content file you just downloaded, then select **Open**.
5. Select Import when the pop-up window appears, then select **Next** until the **import** starts.

Content Updates are necessary to keep your Determination up to date with the latest tax rules and rates, and to ensure correct tax calculations. For complete information about downloading and installing updates, refer to the Online Help for ONESOURCE Indirect Tax Determination.

For more assistance, use our online resources or contact Customer Support by opening a support request through the ONESOURCE Customer Center, or call us at +1 312 479 9651 Option 3,9,3.