

# 2020 MEXICAN TAX REFORM: A VIEW FROM THE U.S.

January 8, 2020

Hosted by



US-Mexico Chamber of Commerce  
Mid-America Chapter



**Baker  
McKenzie.**

# Welcome!



**Ralph Biedermann**  
Executive Director  
US-Mexico Chamber of Commerce,  
Mid-America Chapter

Time	Topic	Presenter
8:30 – 8:40	Welcome & opening remarks	Ralph Biedermann
8:40 – 9:05	Permanent establishment and the international tax regime	Edgar Lopezlena
9:05 – 9:35	Reportable transactions	Mario Montemayor
9:35 – 10:05	Digital economy	Antonio Rodriguez
10:05 – 10:35	Tax enforcement	Hugo Dubovoy
10:35 – 10:45	<i>Break</i>	
10:45 – 11:45	Panel discussion and Q&A	Dave Luzi (moderator) and all presenters
11:45	Closing comments & adjourn	Ralph Biedermann

# 2020 Mexican Tax Reform – A View From the U.S.

Edgar Lopezlena  
RSM US LLP  
Senior Director – International Tax Services



# 2020 Mexican Tax Reform – A View From the U.S.

## With you today

Edgar Lopezlena

RSM US LLP

Senior Director – International Tax Services

- National Leader – Mexican Tax Practice
- National Leader – Mexico Country Desk
- 20+ years experience in advising US Companies with a footprint in Mexico, mostly in the manufacturing industry
- Member of the Advisory Board of the United States-Mexico Chamber of Commerce (Mid America Chapter)
- Mexico-Licensed CPA
- Masters of Science in Taxation (DePaul University, Chicago)



# Permanent Establishment

# 2020 Mexican Tax Reform – A view From the U.S.

- **Permanent Establishment**

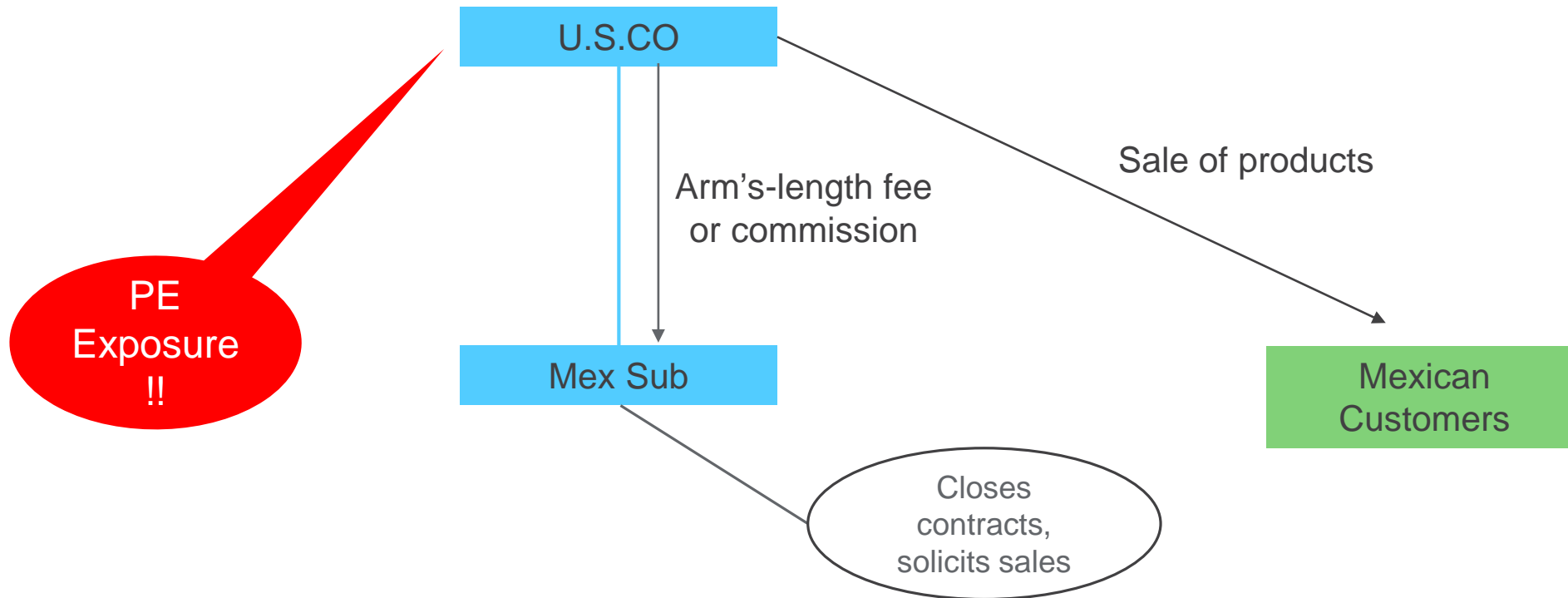
- Definition aligned with the OECD’s Base Erosion and Profit Shifting (“BEPS”) Action Plan
- A foreign resident will have a Permanent Establishment if it acts in Mexico through an agent that has a “principal role” in concluding contracts
- “Principal role” happens if the contracts:
  - Are signed for or on behalf of the foreign resident
  - Provide for the sale, rent or lease of goods or property owned by a foreign resident
  - Create an obligation for the foreign resident to render a service
- An agent that performs the above activities on or on behalf of a related party will very likely trigger a Permanent Establishment
- Segmented operations may be seen as a single activity if they are complementary to a common business goal thereby creating a Permanent Establishment
- Definition of preparatory or auxiliary activities tightened

# 2020 Mexican Tax Reform – A View from the U.S.

- Permanent Establishment

- *Who can be affected?*

- U.S. Companies that form a “Sales Force Company” in Mexico that performs sales agency activities, even if there is an arm’s-length commission or fee

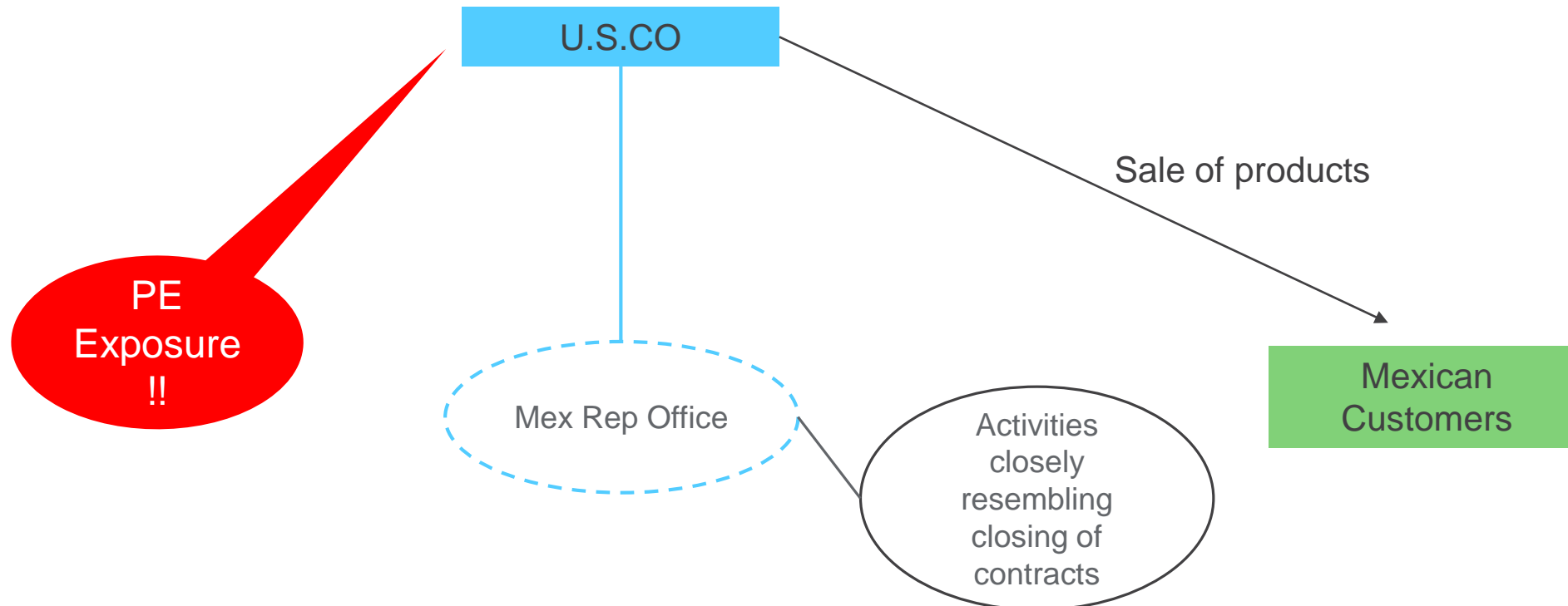


# International Aspects of the 2020 Mexican Tax Reform

- Permanent Establishment

- *Who can be affected?*

- U.S. Companies that have a “Representative Office” providing “auxiliary activities” in Mexico aimed at completing sales in the Country





# 2020 Mexican Tax Reform – A View From the U.S.

- Permanent Establishment

- *So I have a Permanent Establishment in Mexico – So what?*

- Sales made in Mexico will fall under the jurisdiction of the Mexican tax system

- Income Tax

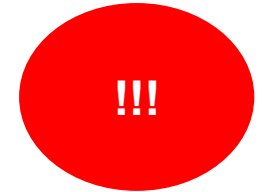
- Value-Added Tax

- Electronic invoicing requirements

- Extensive record keeping, bookkeeping and tax filing and reporting requirements in Mexico

- Substantial penalties and fines if the presence of a permanent establishment is discovered in audit by the Mexican taxing authorities

- Friction with Mexican customers, as they may be negated the tax benefit of the purchases from the U.S. Company (lack of proper electronic documentation to support purchases)



# 2020 Mexican Tax Reform – A View From the U.S.

- **Permanent Establishment**

- *What to do?*
- Add substance to the activities being performed in Mexico
- Convert from a “Sales Force Company” to a buy-sell Company
- Representative offices are now a thing of the past – Consider setting up a buy-sell Company in Mexico
- Robust transfer pricing policy is required
- Take the initiative – Act now – Do not wait until the issue is discovered in audit

# International Tax Regime

International Tax Regime

# Foreign Fiscally Transparent Entities

# 2020 Mexican Tax Reform – A View From the U.S.

- Foreign Fiscally Transparent Entities
  - Attempt at taxing Mexican Effectively Connected Income earned by foreign fiscally transparent entities (similar in concept to U.S. IRC Section 864(c) and Regs)
  - Unclear definition as to what constitutes a fiscally transparent entity
    - If the entity is a non-resident of the country where it is formed (??), and
    - Its members are currently taxed on the income earned by the entity
  - No definition as to what constitutes Effectively Connected Income
  - Mexican taxation happens at the entity level, not at the owner or member level, as is common in other tax jurisdictions, including the U.S.
  - Fiscally transparent entities will be taxed at a flat 30% rate on the net Effectively Connected Income they earn in Mexico
  - We will be alert to additional guidance
  - Effective for tax years beginning on or after January 1, 2021

# 2020 Mexican Tax Reform – A View From the U.S.

- Foreign Fiscally Transparent Entities
  - Private equity funds
  - Members of fiscally transparent private equity funds that invest in Mexico are subject to Mexican tax on:
    - Interest earned in Mexico
    - Dividends paid by Mexican portfolio companies or funds
    - Capital gains
    - Lease of property located in Mexico
  - The private equity fund will have to obtain a Mexican tax identification number and appoint a tax-matters registered agent to pay Mexican taxes and file Mexican tax returns
  - Requirement to disclose the identity of all its owners or members
  - We will be alert to additional guidance
  - Effective for tax years beginning on or after January 1, 2021

International Tax Regime

# Payments to Foreign Related Parties

# 2020 Mexican Tax Reform – A View From the U.S.

- Payments to Foreign Related Parties
  - Non-deductibility of payments made by Mexican taxpayers to foreign related parties if:
    - The foreign related party is subject to a preferential tax regime (subject to an effective tax rate of 22.5% or lower)
      - An option to use the statutory tax rates instead of effective tax rates is available under certain circumstances
    - The payment is made pursuant to a “structured agreement”
      - An agreement where the compensation for services or activities is determined based on the most favorable result for the taxpayer, or
      - That based on the facts and circumstances it can be concluded that the “structured agreement” was solely established to obtain a tax benefit
  - Exceptions apply when the recipient of the payment has the necessary assets, personnel and resources to perform the services or activity
  - Complicated and confusing rules of operation



# 2020 Mexican Tax Reform – A View From the U.S.

- Payments to Foreign Related Parties
  - *What to do?*
    - Examine, together with your tax and transfer pricing advisors, the intercompany payments that their Mexican subs make
    - Review the written contracts related to those payments
    - Assess risk



!!!

A permanent, non-deductible item may trigger a non-recoverable 16% VAT for the Mexican taxpayer!!

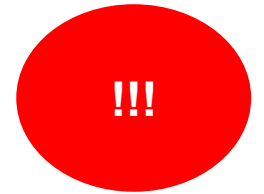
# International Tax Regime

## Limitation on Deduction of Interest

# 2020 Mexican Tax Reform- A View From the U.S.

- Limitation on Deduction of Interest

- EBIDTA-based limitation (30% of EBIDTA)
- Applies to all interest, whether charged by related or unrelated parties
- Automatic relief for the first MX\$ 20 Million (U.S.\$ 1 Million approximately) of interest



All components must be per Mexican tax rules, not Mexican GAAP or U.S. GAAP

	<u>Scenario 1</u>	<u>Scenario 2</u>	<u>Scenario 3</u>
EBIDTA Calculation:			
Net income per tax	150,000,000	45,000,000	45,000,000
(+) Interest expense for the year	15,000,000	2,500,000	2,500,000
(+) Tax depreciation and amortization expense	8,000,000	8,000,000	8,000,000
(=) EBIDTA	173,000,000	55,500,000	55,500,000
30% limitation	51,900,000	16,650,000	16,650,000
Total interest expense for the year	150,000,000	9,000,000	35,000,000
(-) Total interest income for the year	(65,000,000)	(2,500,000)	(14,000,000)
(=) Net interest expense	85,000,000	6,500,000	21,000,000
(-) Automatic relief	(20,000,000)	(20,000,000)	(20,000,000)
(=) Interest subject to test	65,000,000	-	1,000,000
Excess of interest subject to test over 30% limitation (non deductible)	13,100,000	-	-

Available for carry over for the following ten years

# 2020 Mexican Tax Reform – A View From the U.S.

- Limitation on Deduction of Interest
  - Applies to interest from debt acquired prior to January 1, 2020
  - Much controversy attached to the EBIDTA calculation, as it can affect highly-leveraged industries, such as construction, R/E development, or expansion projects
  - Interaction with existing thin capitalization rules
    - Taxpayers now need to perform both calculations (EBIDTA limitation and thin capitalization limitation)
    - Whichever calculation results in the highest non-deductible portion of interest will prevail

# 2020 Mexican Tax Reform – A View From the U.S.

- Limitation on Deduction of Interest

<b>EBIDTA Limitation</b>	<b>Thin Capitalization Limitation</b>
Applicable January 1, 2020	In force since 2012
EBIDTA-based	Leverage-based (Maximum debt to equity ratio of 3:1)
Applies to all interest expense	Applies to interest paid to foreign related parties
Automatic relief for the first MX\$ 20 Million of interest expense	No relief exists
Carry over of non-deductible portion (ten years)	No carry over of non-deductible portion
Certain remedial measures may apply	Certain remedial measures may apply

International Tax Regime

# Shelter Maquiladoras

# 2020 Mexican Tax Reform – A View From the U.S.

- Shelter Maquiladoras – good news and not so good news

*First, the good news:*

- In the original proposed bill, all U.S. Companies operating in Mexico through an independent contract manufacturer (Shelter Maquiladora) that, as of January 1, 2020 were within the four-year tax holiday would have it automatically revoked effective that date
- However, the enacted provisions provide a grandfather rule where U.S. Companies that operate through a Shelter Maquiladora that as of January 1, 2020 were still under the four-year tax holiday will continue enjoying that benefit until it expires


# 2020 Mexican Tax Reform – A View From the U.S.

- Shelter Maquiladoras – good news and the not so good news  
*Now, the not so good news:*
  - The four-year holiday is repealed
    - U.S. Companies that sign a Maquiladora Shelter agreement on or after January 1, 2020 will have to pay the “toll tax” from day one, or opt for one of the following courses of action:
      - Create a permanent establishment in Mexico
      - Set-up their own Maquiladora operation
      - Move manufacturing operation out of Mexico



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# 2019 MEXICO TAX UPDATE



Mario Montemayor  
Senior Manager – International Tax Services  
RSM US LLP

# 2019 Mexico Tax Update

## With you today

Mario Montemayor  
RSM US LLP  
Senior Manager – International Tax Services

- Transfer Pricing Leader – Mexico Country Desk and South Central Region
- 18 years experience in advising Global Companies with footprint in Mexico and LATAM
- Worked for 11 years with Big Four Firms, 9 of them in Mexico
- Member of the Advisory Board of the United States-Mexico Chamber of Commerce (Dallas Chapter)
- Bachelors Degree in Economics
- Master in Finance



## Agenda

- Reportable Transactions/Tax Arrangements
- Effects on BEPS
- Effects on Transfer Pricing

# REPORTABLE TRANSACTIONS / TAX ARRANGEMENTS

## Reportable Transactions - Overview

- Published late 2019
- Main objective: To enforce tax collection and have a better handle of specific aggressive tax arrangements/transactions
- Applicability: Requirement to disclose reportable transactions or tax arrangements commences on January 1, 2021. Tax arrangements implemented prior to 2020, but the benefits of which materialize in or after 2020 are subject to disclosure.

## Reportable Transactions - Overview

A tax arrangement does not include only tax positions or postures adopted by a taxpayer that may seem aggressive or frivolous under certain interpretations; certain tax stimulus or incentives expressly established in the tax laws may also qualify as reportable tax arrangements. For example, an Advanced Pricing Agreement discussed with the SAT to reduce the net taxable income for a Maquiladora may constitute a reportable tax arrangement.

## Reportable Transactions – Who should report the transaction?

Taxpayers and/or their tax advisors are required to file a report with the SAT on certain reportable tax arrangements. A tax arrangement constitutes any plan, project, proposal, set of instructions, explicit or implicit recommendation that results in a tax permanent or deferred tax benefit in Mexico. This definition applies to arrangements implemented by both Mexican and non-Mexican tax residents



## Reportable Transactions – Tax Advisor

- Tax advisors are required to disclose to the SAT the reportable tax arrangements they sell, propose or design for their clients. For these purposes, a tax advisor is any person or entity whose main activity is the performance of tax advisory services, and that is involved or is responsible for the design, marketing, organization, implementation or administration of a reportable tax arrangement.
- A foreign tax advisor that participates in a tax arrangement is required to disclose any such arrangement through a related party located in Mexico that operates under the same brand or name.
- If the tax advisor does not disclose a reportable tax arrangement to the SAT, or there is no tax advisor involved in the tax arrangement, the taxpayer that benefits therefrom becomes responsible for the disclosure.

## Reportable Transactions – The List of Features

- Impairs the exchange of information between the SAT and their competent counterparts in foreign countries. This includes exchange of information under FATCA or CRS, or under treaties for the exchange of tax information to which Mexico is a signatory;
- Avoids Mexico's anti-deferral rules;
- Allows for the transfer of net operating losses to entities that did not create such losses;
- A series of connected payments that results in the return or all or part of the amounts paid to the entity or individual that originated them;

## Reportable Transactions – The List of Features

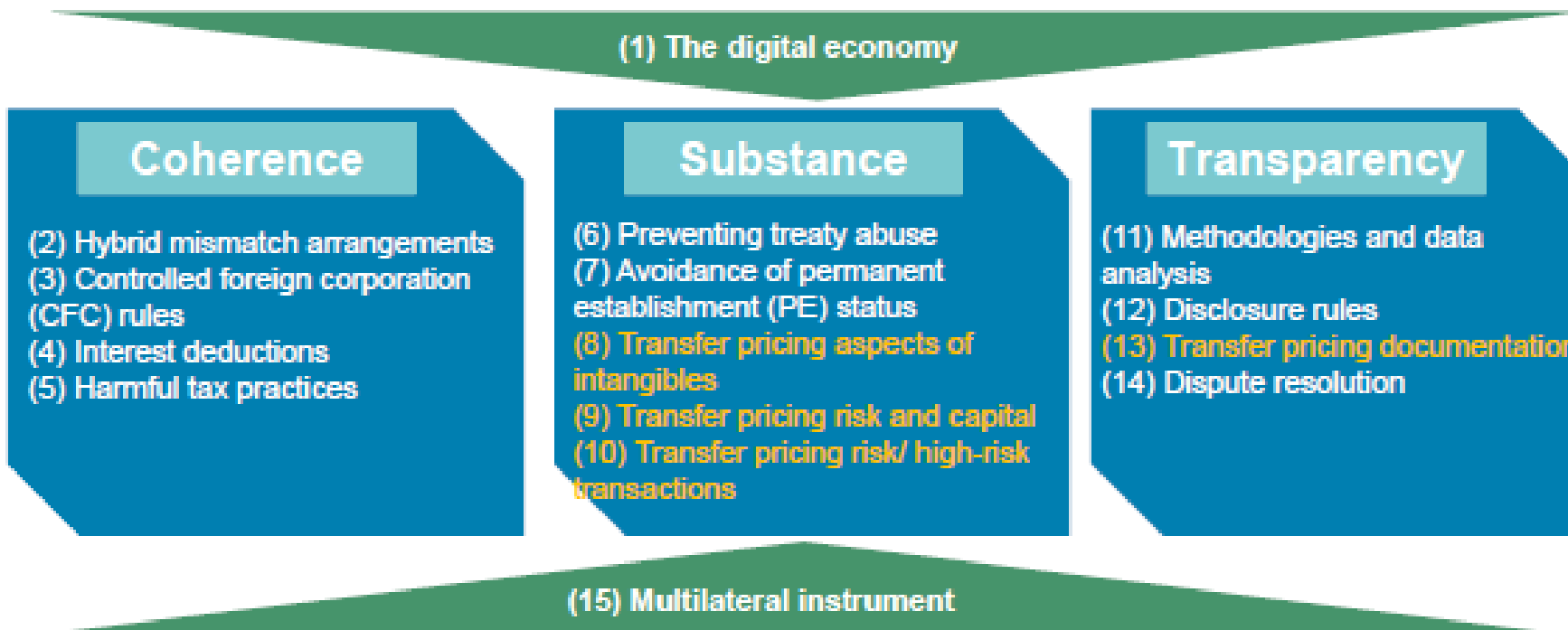
- Allows for treaty shopping;
- *Intercompany transactions that involve the disposition of intangibles that are difficult to appraise, restructuring that includes the shifting of functions, assets and risks and does not include a payment, temporary transfer of goods or rights without a payment, and results in a weak set of comparables for transfer pricing purposes;*
- Permanent establishment avoidance;
- Transfer of fully depreciated assets to a related party with the purpose of creating a brand new depreciable basis

## Reportable Transactions – The List of Features

- Transactions involving hybrid entities, previously defined
- Avoidance in the identification of the beneficial owner of payments or income
- Transactions that extend the life of net operating losses
- Avoidance of the 10% withholding tax rate applicable to dividends
- Transactions the tax basis of which differ in 20% or more from their book basis

## Reportable Transactions – BEPS

The OECD has identified 15 specific actions to combat BEPS and has issued public discussion drafts on each action



## Reportable Transactions – Transfer Pricing

- *Subjective Analyses – Not an exact science....*
- *Economic Substance is going to be the key to support intercompany transactions*
- *Documentation is going to be the key to connect the dots...*

*COHERENCE – SUBSTANCE - TRANSPARENCY*

## Reportable Transactions – Transfer Pricing

If a competent SAT agent audits a transaction and, after evaluating all facts, circumstances and support for the transaction, considers that it may lack a business purpose/economic substance, it must consult with a technical committee formed by SAT tax subject matter experts. Only after the agent receives confirmation from the technical committee that the transaction lacks business purpose, can the agent disallow its tax effects and determine any resulting tax assessments.

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# 2020 MEXICO TAX UPDATE

Antonio Rodriguez, CPA  
Manager – International Tax Services (ITAX), Mexico & LATAM Desk  
RSM US LLP

# 2019 Mexico Tax Reform – E-commerce Digital Economy

## With you today

Antonio Rodriguez, CPA  
RSM US LLP  
Manager – International Tax Services (ITAX), Mexico & LATAM  
Desk

- Licensed CPA in Both US and Mexico
- Mexico Country Desk leader for ITAX & Consulting
- 17+ years experience in advising US Companies with a footprint in Mexico and LATAM, mainly Manufacturing, Real Estate and Consumer Products
- Member of the RSM US ITAX M&A team
- Certified Internal Auditor (CIA)



# MEXICAN TAX REFORM DIGITAL ECONOMY AND E-COMMERCE

## Organization for Economic Cooperation and Development (OECD) and Taxation of the World Going Digital

- “In a digital age, the allocation of taxing rights can no longer be exclusively circumscribed by reference to physical presence. The current rules dating back to the 1920s are no longer sufficient to ensure a fair allocation of taxing rights in an increasingly globalized world”.
  - OECD’s Public consultation document Secretariat Proposal for a “Unified Approach” under Pillar One. 9 October 2019 – 12 November 2019

# 2020 Mexican Tax Reform

- While the OECD's is debating the new tax challenges of the digitalization of the global economy, the Mexican government implemented a unilateral measure to tax digitalized businesses.
- The Mexican Tax Reform intends to equalize competition between brick and mortar and digital commerce. It aims at multinational enterprises operating in Mexico without being subject to taxation because they have put in place tax structures that do not create taxable presence
- The reform introduces amendments to the Mexican income tax law (MITL) and the value added tax Value added tax (VAT) law

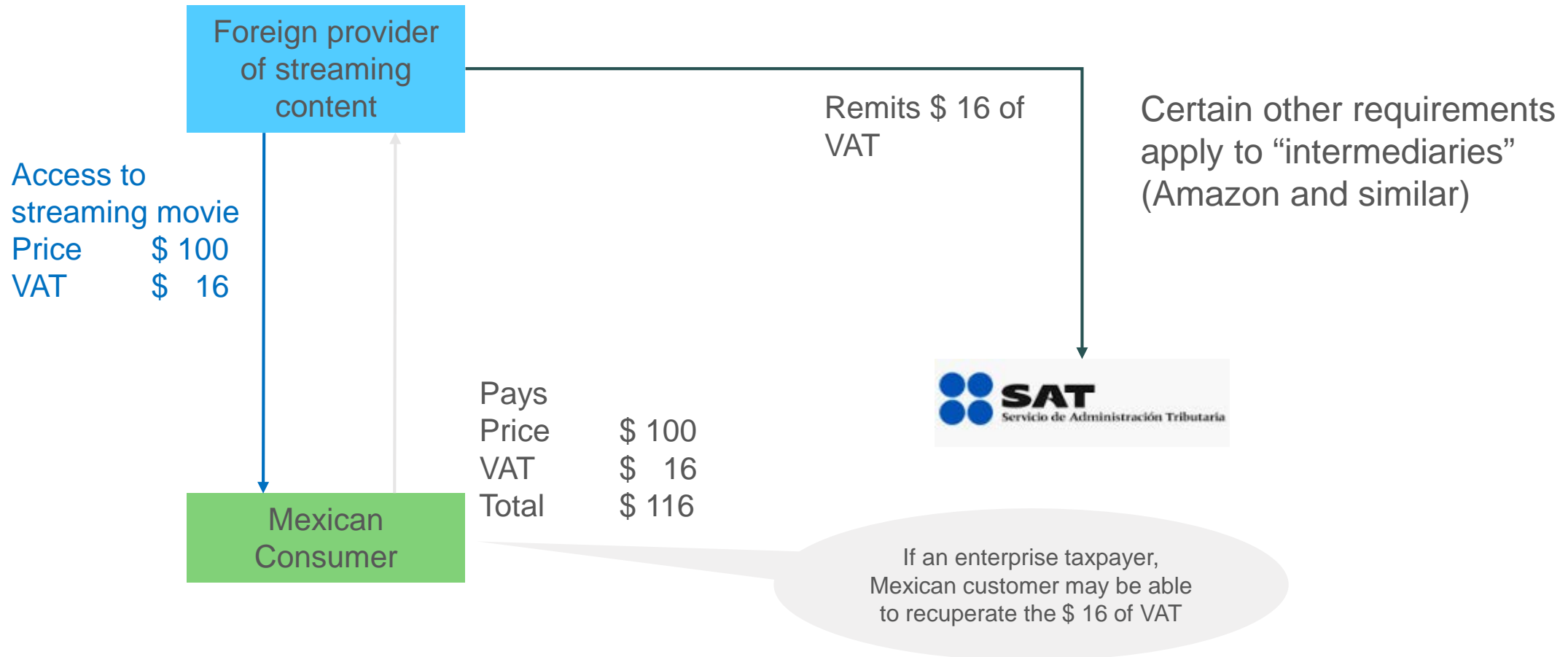
# VAT on Digital services

- “National and Foreign” companies “providing services as intermediaries through technological platforms for electronic commerce purposes”
- Applies for foreign entities including those without a PE in Mexico
- Applies to digital goods sold and services provided by foreign residents:
  - That the purchaser or consumer of the services located in Mexican territory
  - That the internet protocol (IP) address used is hosted in Mexico
- Examples of services subject to VAT:
  - Downloading of or access online content, movies, video, music, games and on-line gambling
  - Ride and delivery services (Uber)
  - Property rental (Airbnb)
  - Virtual chat-rooms, dating services
  - Remote learning and testing
- Examples of services not subject to VAT:
  - EBooks, and online Magazines and newspapers
  - Certain used goods
- These rules are applicable for transactions taking place on or after June 1, 2020. Further guidance and regulations are expected in January 2020

# VAT on Digital services

- The foreign resident has to comply with the following:
  - Obtain a Mexican VAT number
  - Appoint a Tax-Matters Registered Agent and Registered Address located in Mexico
  - Disclose the price and the VAT when pricing the services
  - Collect the VAT at the rate of 16% when receiving payment for the services
  - Remit the VAT collected during a calendar month by no later than the 17<sup>th</sup>. Day of the following month
  - Maintain records of the VAT collected and remitted, readily available for inspection by the SAT
  - At the request of the purchaser, produce supporting documentation (invoices) that show the VAT collected, separate from the price, as well as details on the transaction

# VAT on Digital services





# Mexican Income Tax on Digital Services

- Besides VAT “national and foreign companies” providing goods and services through a technological platform in Mexican territory” must also withhold Mexican income tax.
- The amount of tax withholding varies depending the type of goods and services according brackets established in the MITL to calculate such withholdings.
- If the receiver of the goods and services cannot produce a valid Mexican tax ID, a 20% withholding will apply.
- The reform implies that foreign companies will create a permanent residence for Mexican income tax purposes.

# Mexican Income Tax on Digital Services

- The foreign resident has to comply with the following (some already required for VAT purposes):
  - Obtain a Mexican tax ID number
  - Appoint a Tax-Matters Registered Agent and Registered Address located in Mexico
  - Collect and remit the Income Tax Withholding when receiving payment for the services
  - Maintain records of the collected and remitted, readily available for inspection by the SAT
  - At the request of the purchaser, produce supporting documentation (invoices) that show the Income tax withheld, separate from the price, VAT as well as details on the transaction

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# Tightening the Grip on Tax Enforcement Through Criminal Law Reform

Hugo Dubovoy  
Partner, International Practice Group, Baker McKenzie



# Background

- President Lopez Obrador's Administration has been characterized, among other things, by a notable austerity.
- Some examples are the cancellation of Mexico City's new international airport, not flying the Presidential airplane, and significantly limiting salaries of government officials.
- Austerity was enshrined as a "fundamental value and, guiding principle of the Mexican public service" through the issuance of the "Federal Law for Republican Austerity".
- Hand in hand with this has come a push to increase tax revenue through more severely penalizing certain actions that have an impact on tax revenue.

# Background (continues)

- The Mexican equivalent of the IRS (SAT) detected an astonishing level of use of invoices documenting nonexistent or false transactions, resulting in an enormous loss of tax revenue, which the SAT estimates at approximately 1.4% of the Mexican GDP.

# Various Criminal Laws Very Recently Issued or Amended

- Federal Law against Organized Crime
- National Law for the Extinction of Ownership Rights
- National Security Law
- Federal Criminal Code
- National Criminal Procedure Code

# Federal Law against Organized Crime

- The Federal Law against Organized Crime already stated that when 3 or more persons organize to permanently or habitually carry out certain felonies, they will be penalized as members of Organized Crime.
- Those felonies were extreme, like terrorism; illegal trafficking with, or amassing of, fire arms; human trafficking; body organs trafficking; sex trafficking; and kidnapping.



# Federal Law against Organized Crime (continues)

- Now, that list has been expanded to include as Organized Crime some actions that were already felonies, although of a very different nature than the ones mentioned above. Now, the following will be susceptible of being considered as Organized Crime:
  - The use of deception or the taking advantage of errors to pay less taxes or obtain an undue benefit to the prejudice of the Federal tax authorities (“Tax Fraud”);

# Federal Law against Organized Crime (continues)

- Reporting in tax returns false deductions, or taxable income for a lesser amount than the real amount (Tax Fraud Equivalent);
- Pretending to carry out a specific action or transaction when the real action or transaction is different (“simulation”) (Tax Fraud Equivalent);  
and
- The issuance, sale or acquisition of invoices to document false, nonexistent, or simulated transactions.

# Federal Law against Organized Crime (continues)

- Threshold: Currently of MXN 7,804,230 (approximately \$400,000) applicable to (i) the amount defrauded, or (ii) the amount of the false invoices (“Threshold”).
- The penalties applicable to Organized Crime are longer prison terms and higher fines than in other cases.
- Also, they can potentially apply to a company’s directors, officers and/or stockholders.
- Also, the categorization as Organized Crime triggers the applicability of the National Law for the Extinction of Ownership Rights.

# National Law for the Extinction of Ownership Rights

- The National Law for the Extinction of Ownership Rights applies, among others, to felonies set forth in the Federal Law against Organized Crime, which now include the tax-related felonies that we've discussed.
- It allows for the declaration of loss of ownership rights, without compensation, of goods that are used in connection with, or that result from, those felonies.

# National Law for the Extinction of Ownership Rights (continues)

- But it is not necessary, for the extinction of ownership rights, to first obtain a judicial decision regarding the accused party's culpability in the related criminal proceedings.
- Incentive for whistleblowers: 5% of the proceeds of sale.

# National Security Law

- The National Security Law already stated that certain activities constitute threats to Mexico's national security.
- These were activities like espionage; sabotage; terrorism; rebellion; treason against the country; genocide; interference by other countries; and illegal trafficking in nuclear, chemical, biological or mass-destruction weapons.
- Now certain felonies against the Mexican tax authorities also have been added (by reference to amended Article 167 of the National Criminal Procedure Code).

# National Security Law (continues)

- They are Contraband and equivalent felonies; Tax Fraud and Tax Fraud Equivalents when the defrauded amount exceeds the Threshold; and the issuance, sale or acquisition of false invoices when the invoice value exceeds the Threshold.
- This entitles the Mexican government to request judicial approval to eavesdrop on private communications by any means, such as wiretapping.

# National Criminal Procedure Code

- The National Criminal Procedure Code was recently amended to provide for “preventive prison”, in addition to other felonies, in case of:
  - Contraband and equivalent felonies;
  - Tax Fraud and Tax Fraud Equivalents when the defrauded amount exceeds the Threshold; and
  - Issuance, sale or acquisition of false invoices when their value exceeds the Threshold.
  - Exception to the new Mexican criminal justice system.



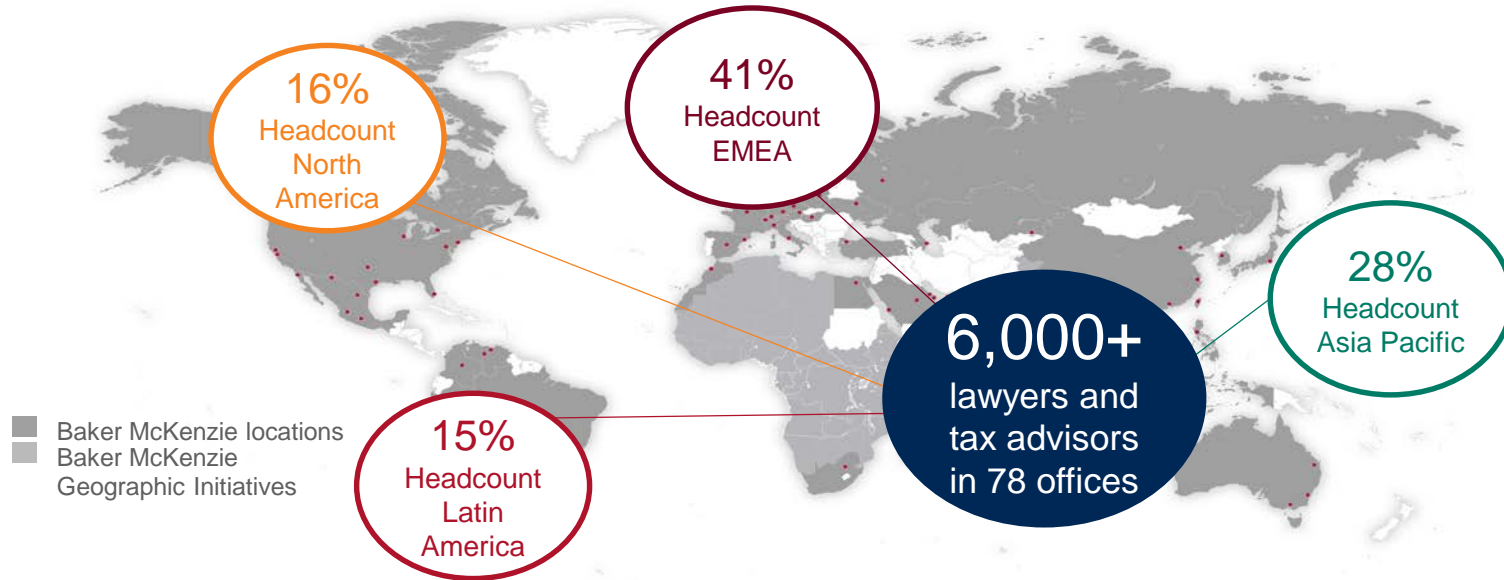
# Issues

- Potential for Abuse due to subjective element (terms like “undue benefit” and “habitually”).
- Potential for abuse due to wrong motives.
- Potential for significant invasion of privacy (authorized eavesdropping); significant economic damage (loss of ownership rights to property while proceedings are pending); loss of freedom (preventive prison).
- Ability to successfully challenge the above in court is yet to be seen.

# Fluency Across Borders

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- Energy, Mining & Infrastructure
- Environment & Climate Change
- Financial Institutions
- Healthcare
- Intellectual Property
- International Commercial & Trade
- IT/Communications
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- 12 of the 15 most resource-rich markets

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- **Nearly 100 practitioners** with a presence in Chicago, Dallas, Guadalajara, Houston, Juarez, Mexico City, Monterrey, Palo Alto, San Francisco, Tijuana, Toronto, Washington DC

Multicultural perspective to meet emerging client needs

- **Fluent in more than 20 languages**
- **Dually-licensed in many countries beyond the US, Canada and Mexico** including China, Argentina, Belgium, Germany and United Kingdom
- **Wide-ranging experience in emerging markets** and deep understanding of the legal/regulatory environments, local government priorities and investment outlooks in markets where our clients seek to expand

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- **Pioneers at the leading-edge of today's international business, commercial and regulatory landscape:** from international commercial contracting to data privacy to trade sanctions to emerging market investments

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- **Robust, diverse client-base of leading multinational companies**
- **Practice at the heart of clients' global commercial strategy**

**Baker McKenzie's International Commercial Practice** advises clients on critical cross-border legal issues impacting global business strategy. With nearly 100 attorneys across the US, Canada and Mexico, the Firm's cross-disciplinary, multicultural and multilingual team helps clients to optimize global business opportunities and address strategic, operational and compliance challenges. As trusted advisors on international trade compliance, foreign investments, data privacy, aviation and business transformations, the practice provides practical and comprehensive legal solutions tailored to clients' unique risk profile and strategic objectives.

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- Foreign direct investments and joint ventures
- Export controls, anti-corruption & trade sanctions compliance
- Customs compliance and facilitation
- Competition counseling & compliance
- Global E-commerce and international expansion of operations
- Global privacy & information management
- Data security & breach response
- Global franchise & distribution
- IP migrations and intercompany agreements
- Aviation

Band 1 Ranking  
**COMMERCIAL CONTRACTS**  
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