



Doing Business in Brazil (45h)

Objective

To offer an overview of the economics and legal aspects of doing business in Brazil.

Syllabus

Legal aspects of doing business in Brazil, tax law, intellectual property law, corporate laws, legal entities, tax planning, labor regulations, Central Bank regulations on foreign investment.

Topics

1. INTRODUCTION

- 1.1 Overview of Brazilian economy and evolution over the last 20 years.
- 1.2 General aspects of starting up an operation in Brazil.
- 1.3 Positive and negative aspects of investing in Brazil.
- 1.4 Legal treatment of foreign capital.

2. CORPORATE STRUCTURE

- 2.1 Types of legal entities available.
- 2.2 Branch vs. Subsidiary.
- 2.3 Limited Company and S.A.
- 2.4 Other types of legal entities.
- 2.5 Capital Market Structure.

3. TAXATION

- 3.1 General principles of taxation in Brazil.
- 3.2 Corporate Taxation: Federal, State and Municipal Level.
 - 3.2.1 Federal Taxes: Income Tax, Import Tax, IPI, PIS, COFINS.
 - 3.2.2 State Taxes: ICMS, IPVA.
 - 3.2.3 Municipal Taxes: ISS and IPTU.
- 3.3 Transfer Pricing Rules.
- 3.4 Taxation Regimes: Actual Profits or Presumed Profits.



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4. LABOR

- 4.1 General aspects of Brazilian labor law.
 - 4.1.1 Mandatory employee benefits.
 - 4.1.2 Fringe benefits.
 - 4.1.3 Restrictions for foreigners.
 - 4.1.3.1 Permanent employment visa requirements.
 - 4.1.3.2 Employment of spouses/children.

5. LAND OWNERSHIP

- 5.1 Restrictions for foreigners.
- 5.2 Licensing of effectively or potentially polluting activities.
- 5.3 Liabilities for environmental damages.

6. INTELLECTUAL PROPERTY

- 6.1 General Aspects of Intellectual Property Regulation.
- 6.2 Patents.
- 6.3 Trademarks. 6.4 Technology transfer agreements.
- 6.5 Franchise agreements.

7. INTERNATIONAL TAX PLANNING

- 7.1 Overview of Brazilian tax treaties.
- 7.2 Use of tax treaty network for operational planning.

8. INTERNATIONAL ECONOMIC AGREEMENTS

- 8.1 ALALC and ALADI agreements.
- 8.2 MERCOSUR: General overview of the agreement.
 - 8.2.1 MERCOSUR functions. 8.2.2 MERCOSUR structure.
 - 8.2.3 MERCOSUR external agreements.

9. COMPETITIVENESS LAW

- 9.1 Antidumping Regulation.
 - 9.1.2 Export price lower than that ordinarily found in the exporter's domestic market.
 - 9.1.3 Injury to the national industry.
 - 9.1.4 Causal connection between injury and the dumping.
 - 9.1.5 Dumping Investigation.



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10. CONSUMER LAW

- 10.1 Overview of Brazilian consumer law.
- 10.2 Inversion of the burden of proof.
- 10.3 Disregard of the legal entity.

11. ARBITRATION AND FOREIGN JUDGMENTS

- 11.1 Overview of Brazilian arbitration law.
- 11.2 Arbitration procedure and awards.
- 11.3 Foreign judgments.
- 11.4 Supreme Court recognition.

Bibliography

- DOLINGER, Jacob. *Direito Internacional Privado, Parte Geral*. Editora Renovar, 2003
- Becker, Thomas H. *Doing Business in the New Latin America: A Guide to Cultures, Practices and Opportunities*, Greenwich Publishing Group, Inc. 2004
- The World Bank, *Doing Business 2008*, The World Bank 2007
- Travis, Tom. *Doing Business Anywhere: The Essential Guide to Going Global*, John Wiley & Sons, Inc., 2007
- French, John D. *Drowning in Laws: Labor Law and Brazilian Political Culture*, The University of North Carolina Press, 2004
- Brazilian Civil Code

Evaluation

- Participation in class, seminars and final paper.
- Lowest grade for approval: 0 (zero)
- Higher grade for approval: 10 (ten)
- Minimum grade for approval: 5 (five)
- Minimum attendance for approval: 75%