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# Exporting to Brazil

Legal requirements



**VEIRANO**  
ADVOGADOS



## This publication summarises the laws and regulations applying to products imported into Brazil, including customs requirements and procedures, trade facilitation measures, import duties and taxes.

Key New Zealand exports to Brazil include dairy products, fruit, fish, machinery, and equipment for the agribusiness sector, but the opportunities are much broader.

Although there are no specific trade agreements between Brazil and New Zealand, Brazil is currently expanding its international trade engagement to improve the productivity and competitiveness of the Brazilian economy. Examples are the free trade agreement between the Southern Common Market (MERCOSUR) and the European Union, and MERCOSUR's ongoing trade negotiations with Indonesia and Singapore.

## Overview

As a general rule, there are no restrictions on imports into Brazil. But some products are prohibited (e.g. used tyres and toxic industrial waste) and others require special import licences (e.g. pharmaceutical products for human use, sensitive chemical and nuclear goods, guns, and ammunition).

Imports to duty-free zones (Zonas Francas) are also subject to special regulations.

## General procedures for importing

Imports into Brazil are reported through an online platform called Portal Único/SISCOMEX, use of which requires a licence (Rastreamento da Atuação dos Intervenientes Aduaneiros – RADAR) from the Federal Revenue Secretariat (Secretaria da Receita Federal – RFB). Companies that wish to use indirect imports must also apply for a RADAR.

### Additional requirements, applied to specific goods, include:

- import licences, which require approval not only from the Department of Foreign Trade (Departamento de Comércio Exterior – DECEX), but also from other government agencies, and
- certificates of origin, testifying that particular production criteria have been met. When the goods are covered by a trade agreement, a certificate of origin is required for the recognition of any tariff preferences.

### Trade facilitation measures

Brazil has an entirely electronic system for filing all documentation and data associated with import and export licences.

Following adoption of the World Trade Organisation (WTO) Trade Facilitation Agreement, Brazil also runs an Authorized Economic Operator Program (Operador Econômico Autorizado – OEA) through the Secretariat of Federal Revenue (Secretaria da Receita Federal – RFB).

Under the OEA, companies which have a record of compliance and good practice can be certified as low risk which will qualify them for a higher trust treatment at the border, enabling faster clearance of goods.





### Import duties

Because Brazil is a member of the MERCOSUR customs union, Brazil's import duties are generally based on the Common External Tariff (Tariff Externa Comum – TEC), with access to any preferential trade agreements limited to other MERCOSUR countries.

However MERCOSUR Members can depart temporarily from the TEC under certain circumstances:

- the List of Exceptions to the Common External Tariff allows Member States to set their own duty rates on a limited number of products. Brazil is authorised to include 100 tariff codes of the Nomenclatura Comum do Mercosul until December 2021 (a deadline which will most likely be extended)
- the ex-tarifário mechanism allows temporary reduction to 0% of the TEC for: capital goods (BK), information technology and telecommunication goods (BIT), and automotive goods. Such concessions are time limited (with an ability to apply for an extension) and are available only where the country does not produce a like product and where certain legislative requirements are met, and
- duties may also be reduced where a product is in short supply.

## Consumer protection and product liability

The Consumer Protection Code (Código de Defesa do Consumidor) – “CDC” is the key piece of legislation for consumer protection and governs the relationship between suppliers and consumers. The CPC prohibits products that present unreasonable risks to a consumer's life, health, and safety, as well as deceptive or coercive advertising tactics. The CPC is also the main law regulating advertising in Brazil, requiring (for example) that emails offering products must be clear and without abuse, aggressiveness and/or misleading content.

## Penalties

Penalties for offences under the Brazilian Customs Code – a Decree (Decreto no. 6.759/2009) include confiscation, fines and administrative sanctions. Fines can be up to 100% of the tax value of the goods in question. Offences include inaccurate documentation, underpayment of duties, fees and taxes, and not using the goods for the purpose for which they were imported.

## Taxes on imports

### Import Tax (“II”)

Import Tax – II is imposed on the customs valuation pursuant to GATT rules, which generally corresponds to the transaction value (CIF value). The “II” rate depends on the product's tariff classification under the TEC and can range from 0% to 35%.

### Tax on manufactured products (“IPI”)

The IPI is a value-added tax levied on manufactured products. Rates range from 0% to 15%. Tobacco, automobiles, cosmetics and goods considered to be luxuries attract a relatively high rate while essential goods are exempt or lightly taxed.

Imported products are also subject to the IPI to create a level playing field for local producers, but the value is credited back to the importer at point of sale to the end user.

In the case of imports, the tax is charged on the product's CIF value plus import duty. As with value-added taxes in Europe, IPI taxes on products that pass through several stages of processing are reduced to compensate for the tax paid at each stage. Brazilian exports are exempt from the IPI tax.

Brazilian Customs publishes the complete list of NCM products and their IPI tariffs at this [website](#).

### Tax on the Circulation of Merchandise and Services (“ICMS”)

The ICMS is levied at State level with rates varying among states and according to the type of transaction. The basic rates in São Paulo and Rio de Janeiro are 12% for inter-state transactions and 18% and 20% respectively for intra-state transactions. The resale of imported goods in the internal market is subject to a 4% rate. The ICMS on imported goods is assessed ad valorem on the CIF value, plus import duty, plus any import fees, plus IPI.



### **PIS/COFINS**

The PIS-Import and COFINS-Import tax are paid by the importer and are assessed on customs value. Rates are 2.1% and 9.65% respectively but some goods are exempt so it is important that each good is classified correctly under the TEC.

A 9.25% PIS/COFINS is also imposed on imports of services.

For historical reasons the PIS and COFINS are two separate taxes but their rules are virtually identical, so they are generally treated as one.

### **AFRMM**

The AFRMM is assessed at 25% over the international freight amount declared in shipping documents for long distance sea transport and 10% for coastal transport.

Exempt goods include books, newspapers, periodicals and print paper and cargoes transported by vessels for non-commercial and exploration purposes.

### **IOF Exchange**

The IOF Exchange tax is levied at 0.38% on the closing of each foreign exchange.

The IOF regulations provide for an extensive list of exemptions and higher rates. For example, fund flows connected to cross-border loans and financings with a minimum average term exceeding 180 days are exempt but if the term is shorter than 180 days, the rate is 6%.

### **Municipal Services Tax (“ISS”)**

The ISS is usually owed by the importer of services. Municipalities generally have a uniform tax rate for each type of service. Rates typically range from 2% to 5%. Complementary Law No. 116/03 lists all the services that may be assessed by the ISS.

### **Federal taxes on services**

Services fees are subject to a 25% withholding income tax rate or a 15% withholding income tax and a 10% CIDE (the taxpayer of the CIDE is the Brazilian company).

Royalties, technology or know-how fees, software licensing fees, and compensation for administrative and technical services and technical assistance bear a 15% withholding income tax rate, plus the 10% CIDE.

Interests payments are subject to a 15% withholding income tax. Lower rates may apply to residents of countries with which Brazil has a tax treaty.

## **Protecting your intellectual property rights**

The Brazilian Industrial Property Law (Law 9,279/96 or “IPL”) sets rules for the protection of inventions, utility models, industrial designs, and trademarks and provides for crimes against industrial property and unfair competition. The IPL also regulates the responsibilities of the Brazilian Patent and Trademark Office (“BPTO”, also known by the acronym “INPI”). The BPTO is the government body responsible for registering intellectual property rights, examining applications for patents and trademarks, and scrutinising technology transfers and IP licence agreements.

Brazil is a signatory of the Stockholm Convention (1967), the Paris Convention for the protection of industrial property, and the Strasbourg Agreement (1971) on International Patent Classification and the Berne Convention for the Protection of Literary and Artistic Works. Brazil is a member country of the World Intellectual Property Organization (WIPO), the Patent Cooperation Treaty (PCT), and the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) and the Protocol relating to the Madrid Agreement for International Registration of Trademarks.

## **Data protection law and consumers**

The General Data Protection Law (Law No. 13,709 or “LGPD”) is Brazil’s first comprehensive data protection regulation and it is largely aligned to the EU General Data Protection Act (GDPR). The LGPD unifies over 40 different statutes that currently govern personal data, both online and offline, by replacing some regulations and supplementing others. The LGPD applies to any business or organisation that processes the personal data of people in Brazil, regardless of where that business or organisation might be located.



## Immigration

New Zealand citizens may enter Brazil for up to 90 days under a visitor visa with a valid passport. If at the end of the 90 days the citizen is still in Brazil, it is possible to apply for a renewal for another 90 days, but total stay in one migration year (one year period counting from the date of the first entrance in Brazil) is limited to a maximum of 180 days.

A visitor status allows entrance to Brazil for the following purposes:

- tourism (including activities of a tourist, informative, cultural, educational or recreational nature, in addition to family visits, participation in conferences, seminars, congresses or meetings, conducting voluntary service or research activity, teaching or academic extension, provided that no payment is made by a Brazilian entity)
- business (including participation in business meetings, fairs and business events, journalistic coverage or filming and reporting, prospecting for commercial opportunities, signing contracts)
- transit, and
- artistic and sporting activities.

To carry out paid work in Brazil, foreign citizens need residence authorisation or a visa, both of which require prior approval from the General Coordination of Labor Immigration.

A local employment contract authorises a foreigner to work for a specific employer for a maximum period of two years, at the end of which it can be changed to a residence permit for an indefinite term.

In the case of investments (either by a foreign entity or a foreign individual), the residence is granted for an indefinite term. But individuals at the end of the initial three year period must prove that the Investment Plan was achieved.

It is also possible to obtain a residence permit for real estate investments.

Applications for a Prior Residence Authorisation (required before a work visa can be issued by the Brazilian Consulate abroad) or for a Residence Permit (when the foreigner is already in Brazil and wants to change the visitor status) must be submitted to the General Coordination of Labor Immigration (“CGIL”) at the Ministry of Justice and Public Safety. Processing time at CGIL is 30 days, which can be longer if additional documents are required. Processing time at the Consulate varies depending on the workload of each Consulate, but is normally between five and 10 business days.

## Where to get more information

### General – in New Zealand

Offices of the Embassy of Brazil are located at Level 13, Maritime Tower, 10 Customhouse Quay PO BOX 5432, Wellington, New Zealand 6140.

- +64 4 4733516
- Fax +64 4 473 3517

### General – in Brazil

#### New Zealand Embassy

Offices located at SHIS QI 09 Conjunto 16 Casa 01, ZIP Code 71625-160, in the city of Brasilia, Federal District.

For further information please visit:

[www.mfat.govt.nz/br/countries-and-regions/americas/brazil/new-zealand-embassy-to-brazil/](http://www.mfat.govt.nz/br/countries-and-regions/americas/brazil/new-zealand-embassy-to-brazil/), or contact the Embassy through the [emb.novazelandia@gmail.com](mailto:emb.novazelandia@gmail.com) or through one of the following telephone numbers:

- T: +55 61 324 89900
- T: +55 61 99553 8087  
emergency
- T: +64 99 20 20 20  
emergency
- Fax: +55 61 324 89916

#### New Zealand Consulate

Offices located at Av. Paulista, 2421, 12th floor, Edifício Bela Paulista, Bela Vista, in the city of São Paulo, State of São Paulo, ZIP Code 01311-300.

For further information please contact the Consulate through one of the following telephone numbers or emails:

- T: +55 11 3898 7400
- T: +55 61 99553 8087  
urgent consular assistance
- T: +55 11 99369 3064  
urgent consular assistance
- E: [emb.novazelandia@gmail.com](mailto:emb.novazelandia@gmail.com)
- E: [consuladonz@nzte.govt.nz](mailto:consuladonz@nzte.govt.nz)
- E: [bsaduty@mfat.govt.nz](mailto:bsaduty@mfat.govt.nz)  
urgent consular assistance

#### New Zealand Trade & Enterprise (NZTE)

NZTE has an office in São Paulo and helps support New Zealand exporters by sharing key local market insights, and connecting them with the right people. For further information visit [www.nzte.govt.nz/page/latin-america-market-information](http://www.nzte.govt.nz/page/latin-america-market-information)



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Every effort has been made to ensure accuracy in this publication. However, the items are necessarily generalised and readers are urged to seek specific advice on particular matters and not rely solely on this text.

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