

## **The New Tax Reform and the Impacts and Accounting Recognition on Current Recoverable Taxes of Companies Listed on B3 Brasil**

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### **Abstract**

The Tax Reform proposals sent to the National Congress have in one of the main points, the creation of a tax unifying the federal spheres, represented by IPI, PIS and COFINS, state (ICMS) and municipal (ISS). Much remains to be discussed during the end of this Tax Reform. However, an important issue to be discussed is the presence of balances of Current Taxes to be Recovered in the companies, composed of IPI, ICMS, PIS and COFINS, which reduce their values when determining the Taxes to be collected. However, with the tax unification, this regime will cease to be non-cumulative, that is, without use of credits, becoming cumulative. And for this purpose, the objective of this research was to collect information on the Current Taxes Recoverable account balances of companies listed on B3 Brasil, and to create possible impacts and accounting recognition on Current Recoverable Taxes through the adoption of a possible unified tax. And with the possible results, the balances of this account may be reduced by creating alternatives, such as compensations with the possible unified tax, also in the sale of fixed assets, and

compensations between parent company and affiliate, that is, there is simply no compensation.

**Keywords:** Tax Reform, Impacts, Current Taxes to Recover

## 1. Introduction

The main proposals of the Tax Reform sent to the National Congress and the Federal Senate have in one of the main points, the creation of a tax, unifying the federal sphere, responsible for IPI, PIS and COFINS, the state sphere, responsible for the ICMS, and the sphere responsible for the ISS.

Much remains to be discussed during the completion of this Reformation. However, an important issue to be debated is the presence of balances of Current Taxes to be Recovered from companies, composed of IPI, ICMS, PIS and COFINS, which reduce their values when the Taxes to be collected are determined. In the proposal for tax unification, this regime will cease to be non-cumulative, that is, without taking advantage of tax credits, becoming cumulative.

In comparison to this situation of cessation of use of tax credits, there is Complementary Law 123 of 2016, which instituted Simples Nacional and did not recognize the non-cumulative regime of federal taxes IPI, PIS and COFINS: “With regard to the IPI, the acquisition of products from establishments opting for SIMPLES will not give purchasers the right to enjoy credit for raw materials, intermediate products and packaging material” (Portal Tributário, 2019).

In the case of PIS and COFINS, in Simples Nacional, the use of accumulated depreciation, leases (paid to legal entities), rents (paid to legal entities) and electric energy was no longer allowed, and all these uses would be destined production of goods, provision of services and also the sale of goods.

Within the state scope, the company opting for Simples Nacional had its right mitigated in relation to the non-cumulative full of ICMS, as provided in article 23 of the Lei do Simples Nacional, since the tax has become cumulative (Rodrigues, 2009); even though by nature and by express constitutional provision it is a non-cumulative tax.

In this scenario of Simples Nacional, only two choices were left to the companies that opted for the regime related to the balances of the Current Taxes to be Recovered account: the first was to appeal administratively or judicially over the amounts contained in balances, both at the federal and state levels ; and the second alternative was to simply wait for the five-year decadence period to make the balances recoverable prescribed and thus write them off in its Balance Sheets.

This tax history of changing the cumulative to the non-cumulative regime, which occurred in the implementation of Simples Nacional, raises questions within the imminent Brazilian tax reform, since the loss of non-cumulative will extend to large enterprises and impact on their current tax balances. To recover.

Therefore, the objective of this research was to identify the impacts and accounting recognition on the balances of the Current Taxes Recoverable accounts of the companies listed on B3 Brasil.

## 2. Methodology

The research was carried out citing Vergara (2005) who reports that there are many types of research and this is justified by several factors, such as the interest and curiosity of the man, the focus and the level of depth desired by the researcher.

This research, according to Gil (2002), used the criteria adopted to classify research based on its general objectives, which allows it to be classified into three major groups: exploratory, descriptive and explanatory, separating them in terms of purposes and means.

As for the purposes, this research was descriptive, based on Vergara (2005) and Gil (2002), since it exposes the characteristics of a population.

The present study is classified as exploratory, as it will seek: (a) an accurate translation of the facts of the case; (b) consideration of alternative explanations of these facts; (c) a conclusion based on that explanation that seems to be more congruent with the facts, and whose function, among others, is to increase knowledge about the phenomenon that you want to investigate and clarify concepts (Roesch, 1995; Selltiz, Wrightsman & Cook, 1974).

And yet, it is an explanatory investigative research, since it seeks to identify the factors that determine or contribute to the occurrence of the phenomena (Gil, 2002).

As for the means, bibliographic, documentary and field research was used. With regard to the nature of the information studied, this research was classified as qualitative.

Bibliographic research implies a systematized study based on material published in books, magazines and newspapers (Gil, 2002).

Still Gil (2002), documental research is considered when elaborated from materials that did not receive analytical treatment. And the documentary research will be carried out in the analysis of the Balance Sheets, published quarterly, of the companies listed in B3 Brasil, to identify which of them have balances of Current Taxes to Recover and be defined as being the sample of this research.

One of the advantages of using documentary research as a technique and research is that it is able to offer researchers the possibility of gathering a large amount of information (Triviños, 1987). The documentary phase basically comprised reading and interpreting document content and the field research was based on a structured interview script (Richardson, 1999).

The subjects of this research were professionals in the accounting area of the companies surveyed, responsible for making accounting decisions. It was considered that these are the subjects who have responsibilities and attributions linked to general and strategic accounting, therefore, holders of the information of the decision processes pertinent to the object of this research.

The data according to the research phase were collected through:

1. bibliographic research in books, specialized magazines, sectorial newspapers, theses and dissertations with data relevant to the subject, consultation with libraries, to support the work of theoretical review, as well as research in the various archives, electronic or not;
2. field research with semi-structured interviews, carried out with the accounting professionals of the 354 B3 Brasil listed companies that have balances in the Current Taxes to be Recovered account, the sample of this study being those that have these balances.

The collected data were treated in a qualitative way based on the literature used in its theoretical framework and in the form of comparison between the data collected in the field research, thus not aiming at quantitative inferences, since the sampling used is of convenience and used a small number of respondents.

The data obtained were analyzed using the content analysis methodology whose importance, according to Demo (1995, p. 247), is found “above all in dialogical construction, which produces knowledge in practice and practice in knowledge”. Content analysis is considered a technique for data processing that aims to identify what is being said about a given topic (Vergara, 2005).

The development of the research was based on the answers of the professionals of the accounting area of the 354 listed companies of B3 Brasil that have balances in the book account Current Taxes to be Recovered through field research, highlighting three guiding points for the effective responses of the respondents:

- identification of knowledge about the new Brazilian tax reform;
- identification of the perceptions of possible impacts on the balances of the Current Taxes to be Recovered account from a new Brazilian tax reform and the adoption of a possible unified tax;
- Identification of the accounting recognitions in the Current Tax Recoverable account balances from a new Brazilian tax reform and the adoption of a possible unified tax.

### 3. Theoretical Reference

When talking about tributes, one must consider their origin from their principles that were applied as early as 4000 BC in Sumer. And the formulation of recognized tax principles began formally with Adam Smith in 1776.

“Adam Smith called them four tax maximums. The principles formulated by Smith were based on his personal observations and experiences in the world. After Smith, several individuals, committees and reviews added their ideas to the principles of taxation” (Preez, 2018).

Now, when it comes to Tax Reform, this is a topic that is widely discussed by both tax collectors: Union, Federal District, States and Municipalities; and by taxpayers: Individuals and Companies. And in Brazil, the last four Tax Reforms can be highlighted: that of 1934, that of 1946, that of the 1960s, and finally, that of 1988.

The one of 1934 occurred with the advent of the Constitution of the same year, which generated discussions on the distribution of tax wealth in a slightly more proportional way for the states and municipalities, thus reducing the great participation of the Union as a collecting base, changing the constitutional text that would pass on to the states and municipalities, their competences and financing, in addition to the beginning the collection of internal taxes on products. States were allowed to create and collect sales and consignment tax, which quickly became the main source of state revenue. The municipalities collected the tax on industry and professions and the property tax. And the Union continued to collect the tax on imported goods and also the tax on consumption, which in the late 1930s surpassed the import tax (Pegas, 2017, p. 5).

Moving on to the 1940s, the 1946 Constitution brought changes to the tax system, with a view to increasing the revenue of municipalities, based on the creation of the tax transfer system. And in the 1960s, which took place between 1965 and 1967, the Tax Reform simplified the tax system, creating two taxes on added value: “the Tax on Circulation of Goods (ICM) at the state level and the Tax on Industrialized Products (IPI) at the federal level, with non-cumulative characteristics, replacing cumulative taxes, which applied to sales and consignments (state) and consumption (federal)” (Pegas, 2017, p. 5).

The principle of non-cumulativity is of the objective limit type: it imposes a technique according to which the amount of tax due in each operation will be compensated with the amount levied on the previous ones, but the implementation of values such as the tax justice system is preordained, respect to the contributory capacity and uniformity in the distribution of the tax burden on the circulation and industrialization stages of products (Carvalho, 2005).

And considered the last Tax Reform, the 1988 constitution brought changes to the national tax system, mainly in relation to the redistribution of resources among federal entities.

The Tax Reform theme is always “controversial” by nature and debates must exist between all levels of the spheres, be it the Federal Government, the Federal District, States and Municipalities, which are likely to be the beneficiaries, and also the taxpayers, whether individuals or legal entities. But, Brazil does not have exclusivity in this matter. Worldwide, some cases of Tax Reform can be described.

In 1997, Uganda made extensive reforms to tax legislation. This was derived from structural reforms in the tax administration and the Ugandan Tax Authority was created in 1991. "The goal of far-reaching reforms was to improve the tax system and increase its revenue productivity, but revenues have not improved in a sustained manner" (Kwagala, 2016, p. 1).

One can also mention China's coal resource tax reform, “introducing an ad valorem tax to replace the previous volume-based tax from December 2014, which marked a new stage in the reform of the resource pricing mechanism” (Liu & Zhou, 2018).

In the United States, there was a reduction in the statutory tax rate, thus improving investments, measured by marginal and effective average tax rates, assuming an average use of debt and equity. And the partial adoption of a participation in the exemption system, in some cases, resulting in the

beginning of the participation of companies from the United States in the global competition in equal terms in tax terms with companies located abroad (Lyon & McBride, 2018).

Citing Serbia, since the introduction of property taxation into Serbian legislation, the tax system has undergone several reforms, with the aim of harmonizing it with European Union standards. The initial changes were almost imperceptible:

While the latest changes in the law have attracted considerable interest from tax policy makers, financial experts and taxpayers themselves, a new method for determining the tax base that has increased global tax obligations has been introduced (Rapajić, Lapčević & Miladinović, 2019).

And in 2019, the main proposals for Tax Reform were delivered to the Federal Senate, presenting mainly the unification of taxes: Tax on Industrialized Products (IPI), Social Integration Program (PIS), Contribution to the Financing of Social Security (COFINS) , Tax on Circulation of Goods and Services of Communication and Cargo Transport and Intermunicipal and Interstate Passengers (ICMS) and Tax on Services (ISS), changing to the cumulative regime (with the exception of ISS, which by nature is already cumulative) , very close to what already occurs in the Simple National taxation regime.

However, companies listed on B3 Brasil may be impacted by the change in the tax regime, which will cease to be non-cumulative, becoming cumulative; possibly they will be prevented from using the Current Tax Recoverable account balances.

Current Taxes to be Recovered are those in which, at the time of the sale of products, goods or services, of the amount to be collected, represent a balance to be recovered related to the purchase of products or services, which must be subtracted for the final calculation of the payment of the tax.

It can be noted that the company only identifies the tax account to be recovered during the confrontation of debit and credit of taxes, for the preparation of the Balance Sheet, and it only exists in cases where the amount of taxes to be recovered is higher than the taxes to be collected. That is, when the company has made more acquisitions with credit rights than sales with debits during the period.

#### 4. Development

The Tax Reform theme is much debated, discussed and questioned not only in Brazil, but also in several countries, which have already passed or are yet to undergo a tax reform. And in Brazil, as of 2019, new Constitutional Amendment Proposals, in addition to others still being discussed, requested a new Tax Reform, which can be highlighted:

- In the Chamber of Deputies (PEC 45/2019): prepared by economist Bernard Appy, it ends with three federal taxes - IPI, PIS and COFINS. Extinguishes ICMS, which is state, and ISS, municipal. They all affect consumption. It creates the Tax on Transactions with Goods and Services (IBS), which is the responsibility of municipalities, States and the Union, in addition to another tax, on specific goods and services, this one which is only federal.
- In the Federal Senate (PEC 110/2019): the following taxes are extinguished: IPI, IOF, CSLL, PIS / PASEP, COFINS, Salário-Educação, CIDE, ICMS and ISS. In their place, a state value added tax would be created, called the Tax on Operations with Goods and Services (IBS), and a tax on specific goods and services (Selective Tax), under federal jurisdiction.
- The team of Economy Minister Paulo Guedes proposes to exchange up to five federal taxes (PIS, COFINS, IPI, a part of the IOF and perhaps the CSLL) for a single charge, the Single Federal Tax. The proposal will also end the contribution to the INSS that companies currently pay on the payroll. Instead, two options are on the table: the creation of a tax on all means of payment or an additional increase in the single tax rate. On another front, the government is preparing changes to the income tax of companies and individuals.
- Instituto Brasil 200 proposes the creation of the Single Tax that replaces all taxes, including IPTU and IPVA. Sectoral demands such as exports and the Manaus Free Trade Zone may be

discussed. The expected rate is 2.5% on any financial transaction from current account to current account. If the person transfers R\$ 100, it is taxed at R\$ 2.50 and whoever receives it is also taxed at R\$ 2.50.

- The Federative States, through the Committee of State Secretaries of Finance (CONFAZ), prepared a proposal that removes from the Union the management of the single tax created with the reform. In addition, it provides that, if the government succeeds in implementing a unified tax that is only federal, the States will submit an alternative proposal to the Legislative, the Value Added Tax (VAT) Dual. The proposal provides for mechanisms to compensate for losses and reduce regional imbalances, with the creation of a fund.

And the present work is justified by the importance of these Tax Reform proposals sent to the National Congress and the Federal Senate, and the other three still under discussion, create impacts on the Current Taxes to be Recovered and what will be the accounting recognitions on these taxes in the creation of a tax, unifying the federal spheres, represented by IPI, PIS and COFINS, state (ICMS) and municipal (ISS), with the possibility of these taxes ceasing to be from the non-cumulative regime to the cumulative regime.

The sample is justified by the companies listed in B3 Brasil representing in their market values the amount above 2.595 trillion reais (B3 Brasil, 2020). B3 Brasil is the fifth largest capital and financial market in the world, with equity of 13 billion dollars, and is linked to all Brazilian stock exchanges, including the Rio de Janeiro Stock Exchange (BVRJ), where only securities are traded. (B3 Brasil, 2020)

And therefore, given the relevance of the companies listed on B3 Brasil, there was an interest in the study of the Current Tax Recoverable account balances of these companies active in their sectors, and the possibilities that may occur with the new Tax Reform that is in a moment of discussion in the National Congress and the Federal Senate with the adoption of a unified tax, and the consequences through these balances.

According to the sample of the field research, of the 354 companies listed on B3 Brasil, 28 semi-structured interviews were collected with professionals in the accounting area who have balances in the Current Taxes to Recover account. And given all the answers, they were described sequentially within the technical context presented to raise and discuss the main impacts and accounting recognition on the balances of the Current Taxes to Recover accounts of these 28 companies.

Based on the use of Current Taxes to be Recovered with compensation for a possible unified tax, companies would lower their balances by charging the “tax that will be created” on sales and by crediting Current Taxes to be Recovered. And the Union, the Federal District, the States and the Municipalities would face the lack of payments during this compensation period. Through this hypothesis, it can be understood that the selling companies, taking advantage of the compensation, would not reduce their cash with payments of the “tax to be created”, thus enabling new investments or could maintain these amounts to reduce possible existing liabilities in their Balance Sheets.

It could also be the case of offsetting the balance of Current Taxes to be Recovered in proportion to the percentage of each tax that will be composed of the new tax rate that will be created, as is the case with Simples Nacional. In other words, the total balance is composed of IPI, PIS, COFINS and ICMS, so the composition of the compensation will be in the percentages that are due to each tax in the composition of the tax to be offset, thus lowering this asset, and consequently, if there is no total compensation, that is, a residual liability balance, the company will then have to reduce its “tax to be created payable” liability with the reduction of the asset, which may be “movement account banks” as an example.

The company could also offset the Current Taxes to be Recovered account with other tax(s), such as INSS and IPVA. Since the INSS is the responsibility of the Federal Government, resources destined to Social Security, it could be offset against the balances of IPI, PIS and COFINS, within the proportionality composed of the unified rate, as occurs in Simples Nacional, and the IPVA of the States, also would follow the same compensation logic, within the proportionality of a unified rate. In

this case it would also occur, if the “tax to be created” was not offset within the month of accrual, the company would have to disburse assets to settle the balance payable. And the company would continue with the balance of Current Taxes to be Recovered for the next months or years.

If the option is for non-tax compensation and companies have to keep the balances of that account in their assets until the end of the five-year decadential and prescriptive period in accordance with article 1 of Decree 20.910/32, they will have to resort administratively to Management Committee that will be created for the new tax, or judicially in the search for these credits.

And the values, even being updated by SELIC, could not generate financial resources during this period, nor can any tax impairment be pronounced for IPI, PIS, COFINS and ICMS, according to CPC 01 - Impairment of Assets, as it is not realized in tax credits, but Fixed Assets, Assets Available for Sale, investments in discontinued operations and Assets with indefinite useful lives.

However, another possibility of reducing the Current Taxes to be Recovered account could be to offset the balance of this account by taking advantage of the new tax on the sale of products destined to the buyer's fixed assets. Unlike Complementary Law 102/00, in which the buyer of fixed assets destined for the specific and effective use of the main activity of the ICMS, can recover the ICMS in the period of 48 months.

The possibility of taking advantage of the sale of property, plant and equipment would heat up the sector of productive activity of these goods, on the other hand, there would be no solution for the other productive sectors. What would be appropriate, then, to return to the compensation of Current Taxes to be Recovered with the “tax that will be created”.

In order to take advantage of credits between Parent and Affiliate companies, it could perhaps be a hypothesis of reduction of Current Taxes to be Recovered from the Affiliate being used at the Parent Company, and the Affiliate is also worth taking advantage of the Current Taxes to Recover credits from the Parent Company. Being recognized in the operations of CPC 15 - Business Combination, which would have another field of discussion with the IFRS. On the other hand, the reduction in tax liabilities between the Parent Company and Affiliate and the reduction in cash to maintain these liabilities would result in more investments and developments in the productive sphere or use of these financial resources to reduce other liabilities.

**Table 1:** Comparison between the possible impacts on the Current Taxes to be Recovered account and their accounting recognition

Possible actions to be taken in the Tax Reform	Impacts	Accounting Recognitions
Compensation for a possible unified tax.	<ul style="list-style-type: none"> <li>• The Union, the States and the Municipalities would face the lack of payments during this compensation period;</li> <li>• Selling companies taking advantage of the compensation, would not reduce their cash with payments of the “tax to be created”, or could maintain these amounts to reduce possible liabilities.</li> </ul>	Companies would lower their balances by charging the “tax that will be created” on sales and crediting Current Taxes to be Recovered.
Offsetting the balance of Current Taxes to be Recovered in proportion to the percentage of each tax that will be composed of the new tax rate that will be created.	Companies will have to disburse assets from assets to settle residual balances of tax liabilities.	Reduction of the “tax to be created payable” liability with the reduction of the asset, which may be “movement account banks” as an example.
Compensation of the Current Taxes to be Recovered account with other tax(s), such as INSS and IPVA.	If the “tax to be created” was not offset within the month of accrual, the company would have to disburse assets to settle the balance payable.	Since the INSS is the responsibility of the Federal Government, resources destined to Social Security, it could be offset against the balances of IPI, PIS

	And the company would continue with the balance of Current Taxes to be Recovered for the next months or years.	and COFINS, within the proportionality composed of the unified rate, as occurs in Simples Nacional, and the IPVA of the States, also would follow the same compensation logic, within the proportionality of a unified rate.
No tax compensation.	Companies will have to appeal administratively to the Management Committee that will be created for the new tax, or judicially in the search for these credits.	The companies must keep the balances of this account in their assets until the end of the five-year period of decadence and prescription.
Offsetting the balance of the Current Taxes to be Recovered account by taking advantage of the new tax on the sale of products for the buyer's fixed assets.	It would heat up the sector of productive activity of the goods, on the other hand, there would be no solution for the other productive sectors.	Companies would lower their balances by charging the “tax that will be created” on sales and crediting Current Taxes to be Recovered.
Use of credits between parent and affiliate companies.	It would reduce the tax liabilities between Parent Company and Affiliate and the cash reductions to maintain these liabilities, making possible new investments and developments in the productive scope or the use of these financial resources to reduce other liabilities.	Recognition of Current Taxes to be Recovered from the Affiliate for use of credits in the Parent Company, and the Affiliate is also worth taking advantage of the Current Taxes to be Recovered from the Parent Company. Being recognized in the operations of CPC 15 - Business Combination.

**Source:** elaborated through the responses of the interviewees

It is worth remembering that tax exemptions can also be great creators and developers of Current Taxes to be Recovered. Recently published: MP 795/17 (later converted into Law 13,586 / 17), which instituted the new Repetro Sped; Decree 9.128 / 17, which extended until 2040 the temporary admission regime for goods destined to the exploration, development and production of oil and natural gas fields; IN 1,781 / 17, which regulates Repetro-Sped; IN 1,778 / 17, which provides for the tax treatment of exploration, development and production activities; and, finally, IN 1.780 / 17, which deals with the payment and installment of IRRF in assessments related to the allocation of charter and service provision contracts (Brigagão, 2019).

At the state level, the CONFAZ 03/18 Agreement was published, with the objective of adapting the rules related to the ICMS levy to the new Repetro-Sped regime. Some states, such as SP and RJ, have also edited internal rules in order to enforce the rules published in the agreement, in their territories.

And with tax exemptions, companies benefit sometimes in the purchase transaction, sometimes in the sale transaction, and when it occurs in the second hypothesis, what we have is an increase in tax recovery, and to reduce these possible effects, we have the exemptions on imports, with the effect of reducing amounts that are added to the Current Taxes to Recover account.

## 5. Conclusion

When it comes to Tax Reform, one of the main beneficiaries will be the tax collectors, whether the Union, the Federal District, the States or Municipalities; but on the other hand, as contributing agents are Individuals and companies, and as in any reform, there are changes that can lead to major changes in the source of revenue.

And one can cite a study by Blanthorne & Roberts (2015), in which its main objective was to raise the main consequences in changing the form of taxation on sales in the USA, in which additional sales taxes could impact in the face of excise taxes. all-inclusive consumption, and in light of that,



could impact US consumption, because consumer spending drives the economy and directly determines the value of tax revenues collected from consumption taxes.

And in response to that study, if people's negative opinion of taxes (Tax Foundation 2009) increases the relevance of the tax, an additional sales tax can lower consumer spending more than a price structure with excise taxes. consumption. Instead, the results suggest that demand is greater when the complementary component is a sales tax, compared to a special consumption tax incorporated into the total price. The effects on demand are even more pronounced and people remember lower prices when the additional sales tax is presented as a percentage of the base price - as is usually the case in the USA - and not as an additional monetary component (Blanthorne & Roberts, 2015).

Therefore, it must be taken into account that tax changes or reforms occur in different countries, and their impacts may differ from nation to nation. And in the case of Brazil, as the study in question, the main question was the survey of the possible impacts that can be generated in the Current Taxes to be Recovered account of companies that have balances of IPI, PIS, COFINS and ICMS to Recover in their Balance Sheets, with the applicability of the unified tax, proposed by the Tax Reform, and what will be the accounting recognition in view of this applicability? And after surveying the possible impacts, it can be seen that there are alternatives to reduce the balances of the Current Taxes to be Recovered account, either in a compensatory, non-compensatory or simply refunded manner.

And their recognition will be reduced in assets, with a reduction in the balance of Current Taxes to be Recovered, in return for a reduction in the balance of the liability in the Taxes to be collected account, in this situation for the total offsetting of the Taxes to be collected liability. Or, by reducing the assets of the Current Taxes to be Recovered account, also reducing the assets of the Banks account in the Transaction Account, and in return, reducing the liability account of the Taxes to be Collected, in this case to partially offset the Current Taxes to be Recovered account. And if the company is authorized to offset this balance with other taxes (INSS or IPVA as examples), it will reduce the balance of the Current Taxes to Recover asset account and in return, it will also reduce the balance of the IPVA liability account to be collected, as example.

One can take into consideration the billionaire amounts that Brazilian companies have in their current Tax Recoverable account balances, if there is no offsetting situation for these balances, either with the tax to be created, or with other taxes or in the Combination (CPC 15), what can be expected is a return of these values to all businessmen, just as occurred in the implementation of the Simples Nacional tax regime, or even a real "storm" of business lawsuits against the Union (IPI , PIS and COFINS) and the States (ICMS) requesting the return of these balances, thus generating a "large" contingent liability for government entities, and a future expectation of financial resources that companies may generate, should they win these lawsuits.

With this technical study, it is hoped that other researchers will be able to detail even more in other researches dedicated to the Tax Reform theme, mainly when it comes to business impacts and consequently their accounting recognitions, and therefore, the subject does not end here, perhaps it is only the beginning of this future Tax Reform that changes are likely to occur, both within the scope of federal entities and for their taxpayers.

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