

Brazil Tax Reform Readiness & Compliance Services for Oracle E-Business Suite

Overview

Brazil's tax reform is a major overhaul of the country's indirect tax system aimed at simplifying one of the most complex tax regimes in the world. The reform introduces a new dual-VAT model, transitioning from legacy taxes to the new CBS (Federal VAT), IBS (State & Municipal VAT), and IS (Selective Tax) frameworks. The transition includes updated calculation rules, reporting requirements, and compliance obligations.

Key Upcoming Regulatory Milestones

Oracle EBS customers operating in Brazil must proactively adapt systems, processes, and integrations to meet upcoming regulatory deadlines while minimizing disruption to operations.

- 2026 – Test & Reporting (CBS and IBS values must appear on invoices)
- 2027 – Initial Tax Collection (CBS and Selective Tax become effective)

ennVee's Brazil Tax Reform Services

ennVee provides end-to-end services to help Oracle EBS customers assess, implement, and validate the required changes to comply with Brazil's updated tax regulations. Our structured approach ensures compliance while minimizing business disruption:

Service Area	Description
Assess & Plan	<ul style="list-style-type: none"> ▪ Impact assessment of CBS, IBS, and IS across EBS modules (AR, AP, OM, INV, PO) ▪ Review of legal entities, operating units, and transaction flows ▪ Gap analysis of current tax configurations and localizations ▪ Phased roadmap aligned to Brazil tax reform milestones
Design & Enable	<ul style="list-style-type: none"> ▪ Tax strategy for dualVAT and selective tax support ▪ Invoice and reporting design for test and live phases ▪ Integration planning with tax engines, reporting, and compliance tools ▪ Data readiness for parallel tax regimes
Implement & Support	<ul style="list-style-type: none"> ▪ EBS configuration and testing support ▪ Regression testing of Order-to-Cash and Procure-to-Pay processes ▪ Go-Live and Transition Phase support ▪ Ongoing regulatory updates and optimization

Success Story – How ennVee supported the transition to the new tax reform for a Leading Global Manufacturer

As Brazil's tax reform introduced mandatory 2026 requirements for CBS and IBS reporting, a leading Oracle E-Business Suite customer operating in Brazil faced a complex challenge: preparing for dual-VAT reporting while continuing to operate under existing ICMS, ISS, PIS, and COFINS regulations.

ennVee partnered closely with the client's tax, IT, and finance teams to deliver a phased CBS and IBS readiness program aligned to Brazil's regulatory roadmap.

Key activities included:

- Comprehensive impact assessment across Oracle AR, AP, OM, and Inventory
- Design of dual-tax calculation and reporting logic to support both legacy and CBS/IBS requirements
- Configuration of Oracle EBS to support test-phase CBS and IBS values on invoices
- End-to-end regression testing of order-to-cash and procure-to-pay processes
- Knowledge transfer and operational readiness support for tax and IT teams

The Results

- Successfully met all 2026 CBS and IBS reporting requirements
- Enabled parallel tax calculation and invoice presentation with no business disruption
- Maintained compliance while continuing operations under legacy tax rules
- Established a scalable foundation for future CBS/IBS phases through 2033

For additional details on how ennVee can help you comply with the mandatory Brazil tax reform, reach out to us at.

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