

# Momentum

## Journalism & Tech Task Force

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# Big Tech Taxation and Journalism: Paths for Brazil

## Introduction: What's at stake?

The business models of technology companies have profoundly remodelled global economic dynamics, exposing challenges that traditional tax systems have not been able to anticipate or resolve. The large digital platforms, operating with mobility and intangibility, capture value across multiple countries while not establishing a concrete physical presence that justifies local taxation according to the classic criteria. As a result, tax systems, still anchored in 20th-century logics, favour a concentration of tax collection in a few jurisdictions, generally those that offer the most advantageous conditions to multinationals.

In Brazil, the mismatch between current tax logic and the digital economy has had a dramatic impact on strategic sectors such as technology, data infrastructure and communications. The structural crisis in journalism, for instance, deepened by the concentration of advertising revenue in the hands of companies that own platforms, such as Google, Meta and Amazon, threatens the production of public interest information – a pillar of democratic vitality. Thus, the debate on the taxation of big tech in Brazil transcends the purely economic sphere and reaches the dimension of protecting and strengthening democracy.

Developing legally sound and politically viable tax solutions that can rebalance relations between platforms and strategic sectors such as communication is therefore an urgent and complex task. It is about creating tax arrangements that not only generate revenue but also act as mechanisms for economic rebalancing and the promotion of informational justice.

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# International context: how the world is dealing with it

Taxation of big tech is a global issue. Tackling it involves coordination between states and building robust multilateral mechanisms. The Organisation for Economic Co-operation and Development (OECD) and the G20 have led efforts in this direction, especially with the development of the so-called 'Unified Approach', based on two main pillars.

Pillar 1 proposes the partial reallocation of multinationals' profits to the jurisdictions where consumers are located. This model aims to correct the disconnection between value creation and tax collection by partially giving the countries of the consumers the right to collect taxes. Pillar 2, on the other hand, proposes a global minimum tax of 15% on the adjusted profits of large multinational groups, seeking to combat tax base erosion and profit shifting to tax havens. Despite the technical and political relevance of these proposals, their global implementation faces obstacles. The deadline initially set for the ratification of Pillar 1, June 2024, has not been met – reflecting resistance from key countries such as the United States, as well as complex technical disagreements over profit allocation mechanisms. As a result, several countries have opted to adopt unilateral measures, especially in the form of so-called Digital Services Taxes (DSTs), taxes on the gross revenue of certain digital services, such as online advertising, digital intermediation and monetisation of user data.

Emblematic examples of this strategy include France, Spain, India and Canada. Each country adopted its own incidence criteria, rates and monetary limits, with mixed results: on the one hand, there was an increase in revenue and a certain fiscal rebalancing; on the other, trade tensions emerged, especially with the United States, and legal challenges related to double taxation and conflicts of tax jurisdiction.

Amongst the comparative experiences, it is also important to note initiatives that have opted to link tax collection mechanisms to specific public interest purposes. The Australian experience, for instance, based on mandatory negotiation between platforms and media outlets, stands out for paving the way for models of economic reparation for journalism. Despite having practical limitations, such as the need for government arbitration and the risk of regulatory capture, this model points to the importance of not restricting the debate to a purely revenue-oriented logic, but of linking digital taxation to public policies for strengthening democracy

# The Brazilian context: where we are

Brazil began to move more concretely in this debate in 2024, partially aligning with the OECD guidelines and also making room for unilateral measures. So far, the main concrete achievement has been the enactment of Law 15.079/24, which instituted an additional Social Contribution on Net Profits (Contribuição Social sobre o Lucro Líquido – CSLL) for multinational groups with an effective tax rate of less than 15%, a local adaptation of OECD Pillar 2.

However, although relevant from the perspective of tax collection and international regulatory adaptation, the law does not establish any specific allocation for strategic sectors, such as the media or journalism. This choice, by concentrating efforts on the collection role of the law, ended up limiting the instrument’s potential to strengthen democracy.

At the same time, there is a proliferation of bills in the National Congress aimed at creating new taxes on digital services. These proposals vary in their legal structure – sometimes setting up Economic Domain Intervention Contributions (Contribuições de Intervenção no Domínio Econômico – CIDEs), sometimes proposing new Social Contributions – and in their objectives for allocating the collected funds

Below, we provide an overview of the main bills currently in the legislative process, aiming to offer a systematised view of the legislative alternatives in Brazil:



Alternative	Tax type	Object	Rate	Destination/Purpose	Status
Law 15.079/24	Additional CSLL	Multinational groups with low taxation	Tops up to 15%	Social security	Sanctioned/in place
PLP 218/2020 (CSSD)	Social Contribution	Large digital services (economic group with global gross revenue ≥ BRL 4.5 billion)	3% on the revenue from taxable activities	Basic income programs	Currently before Congress
PLP 241/2020(CSESD)	Social Contribution	Digital services and online betting (gross revenue in Brazil > BRL 100 million)	10% (gambling), 3%(others)	Social programs	Currently before Congress
PL 2.358/2020(CIDE-Digital)	CIDE	Digital services (economic group with global gross revenue > BRL 3 billion + gross revenue in Brazil > BRL 100 million)	1%-5% (progressive rates)	National Fund for Scientific and Technological Development (Fundo Nacional de Desenvolvimento Científico e Tecnológico)	Currently before Congress
PL 640/2021(CIDE-Internet)	CIDE	Monetization of online content – no revenue limit	3%	Public education and cyber defence	Currently before Congress
PLP 131/2020 (differentiated COFINS)	COFINS	Digital services of large companies (legal entity with monthly revenues > US\$ 20 million from services provided worldwide + gross revenue in Brazil > BRL 6.5 million)	10,6%	Social security	Currently before Congress
PL 2768/2022 (Fiscalisation fee)	Fee (Under ANATEL's jurisdiction)	Supervision of digital platforms (global operational revenue ≥ BRL 70 million)	2% of revenue	Digital Platforms Fiscalisation Fund (FisDigi) - Linked to ANATEL	Currently before Congress
PL 2.331/2022(CONDECINEStreaming)	CIDE(CONDECINE)	Video-on-demand services	until 3% (services with annual revenue under BRL 4.8 million will be subject to a 0% rate)	Fundo Setorial Audiovisual (Fundo Setorial Audiovisual - FSA)	Currently before Congress
PL 1068/2025(CIDE-Detox Digital)	CIDE	Digital platforms and content (legal entity with annual gross revenue in Brazil > BRL 100 million derived from taxable activities)	1% (can be reduced to 0.5%)	National Fund for Children and Adolescents (Fundo Nacional para a Criança e o Adolescente)	Currently before Congress



This legislative scenario reveals the richness and complexity of the possible paths for Brazil. At the same time, it highlights the need for strategic choices that prioritise legally sound, politically viable solutions with the potential for social impact.

On a technical level, the proposals being analysed vary in terms of the legal nature of the taxes (CIDEs, social contributions, fees, and even differentiated COFINS regimes), the calculation basis, and the destination of the revenue. Some are in line with the international logic of DSTs, directly targeting digital revenues generated by advertising, intermediation, and user data. Others are less connected to the global debate and more interested in expanding the domestic revenue base. The big question, however, lies in how to structure a model that, as well as being legally viable, manages to rebalance the economic and symbolic relationships between digital platforms and sectors strongly impacted by the concentration of attention and value, as is the case with journalism.

It is at this point that linking the revenue raised by taxing big techs to strategic areas that are particularly affected by the destructuring of the digital market becomes crucial. The case of journalism is emblematic: while the platforms are concentrating advertising revenues once held by newspapers, producers of journalistic content are facing a chronic funding crisis. Proposals such as the CIDEs allow for the creation of specific funds, along the lines of what exists for audiovisuals with CONDECINE, and could make a policy to promote journalism of public or local interest and diversity viable. Without this link, even a fair tax is at risk of being just another generic source of revenue, incapable of tackling the structural imbalances that today threaten the democratic vitality of the public sphere.

Beyond the domestic scenario, the recent international context also poses challenges and opportunities. The discussion about taxing big tech is gaining particular strength on the national scene at a time when the public debate on regulating technology platforms is broadening and, in particular, with the government signalling its intention to create a specific tax on these companies.

In 2025, however, this movement was followed by changes in the geopolitical stance of the United States, which implied a new grammar for tariffs and trade disputes. In some ways, attention in the field of digital policies is now more sensitive to how economic impacts on the operation of platforms can be retaliated against by the US, or can be instruments of retaliation in strategies adopted by the US in the first place. In parallel, Australia and Canada, countries that have sought to rebalance the relationship between digital platforms and journalistic content producers, are facing partial failure in their efforts.

This geopolitical context strengthens the case for direct taxation of platforms. If these companies refuse to negotiate, the solution is to retain part of the value they extract from the information ecosystem through taxes. The revenue from these taxes can then be reverted to public policies aimed at fostering communication in the public interest, especially in contexts where journalism operates in a structurally fragile situation.

# Possible pathways for Brazil

Amongst the range of alternatives available, contributions for intervention in the economic domain, especially CIDEs, have significant advantages for strengthening journalism. The CIDE, by constitutional definition, requires the collected resources to be linked to a specific state intervention in the affected economic sector, which would make it possible to explicitly allocate the collections to financing communication in the public interest.

However, the creation of a CIDE requires evidence of elements such as the economic dominance of Big Tech and the existence of a referential relationship between the tax and the benefited sector. These conditions could be subject to intense legal debate.

General social contributions, such as CSSD and CSESD, are also promising alternatives. Because they are more flexible in economic and destination terms, these contributions could support broad public policies aimed at social communication, without the strict limits of social security contributions.

Instruments such as the Additional CSLL, although in line with international efforts towards fiscal justice, have obvious limitations. Because they don't link collection to strategic sectors and because they are levied on profit (and not on revenue from digital activities), their ability to promote the sustainability of journalism is reduced..

The Selective Tax, created in the context of the recent Consumption Tax Reform, is not suitable for taxing digital platforms. Its extra-fiscal logic, aimed at discouraging the consumption of goods that are harmful to health or the environment, makes it inappropriate for the objective of economic regulation of the information ecosystem.

## Strategic action: scenarios for organised civil society

Defining Brazil's tax policy in relation to Big Tech is not just a technical issue; it is also a field of political and symbolic dispute that will have a direct impact on the future of public communication and democracy.

Organised civil society, especially movements linked to the defence of freedom of expression, media democratisation and digital rights, can and must organise themselves to strategically intervene in this debate. This requires a profound understanding of the possible scenarios, their risks, their potential and the legal and political points of contention that each alternative presents.

Below, we present a complete systematisation of the main paths currently under discussion, based on the most recent technical survey carried out by consultants from Momentum – Journalism and Tech Task Force:

Pathways	Alternatives	Advantages and disadvantages regarding journalism	Political challenges	Capabilities to be strengthened
Taxes on digital services	CIDEs (CIDE-Digital, CIDE-Internet, CONDECINE e CIDE-Detox Digital)	Advantages: specific binding to finance journalism; addresses economic exploitation of platforms.  Disadvantages: legal risks (economic domain and referability); need to justify state intervention.	Build consistent political and legal arguments; fight the narrative of 'privileging' sectors.	Legal shielding (referability); robust public narrative; wide-ranging discussion on the destination of resources.
	Social contributions (CSSD, CSESD)	Advantages: inspiration from international experiences; flexibility to bind to social communication.  Disadvantages: risk of plastering over social security; need for solid legal formulation.	Constitutional debate on the social function of communication; avoid capture by traditional areas (health, social assistance).	Using international examples; structuring the contribution as an instrument of the Constitution's social order (Chapter V).
	Differentiated COFINS regime (PLP 131/2020)	Advantages: Recognition of the need to tax digital services  Disadvantages: Revenue goes to social security, not directly benefiting journalism.	Low political attractiveness for the journalism field.	Redirect efforts towards models with a higher return for the public communication ecosystem.
	Supervision Fee (e.g., Supervision Fee for Digital Platforms – ANATEL)	Advantages: Acknowledges the need to tax digital services.  Disadvantages: Revenue goes to the regulatory agency, without directly benefiting journalism.	Low political appeal for the journalism sector.	Redirect efforts toward models with greater returns for the public communication ecosystem.
	Law 15.079/24	Advantages: additional collection from multinationals; international alignment  Disadvantages: no specific destination; indirect impact on journalism.	Implementation already underway; debate shifted to other instruments	Prioritise paths more directly linked to the communications ecosystem.
Additional CSLL (OECD Pilar 2)				
Selective Tax	Tax Reform	Advantages: narrative of regulation of the deleterious effects of digital services  Disadvantages: difficult legal framework; resources cannot be allocated to journalism	Complexity of including platforms in the scope of the ST; lack of binding resources.	Focus on instruments that guarantee direct funding for journalism and communication in the public interest.

# Lessons to Brazil from the world – and to the world from Brazil

Taxing big tech offers Brazil an opportunity to reconfigure its position in face of digital transformations and the global dynamics of tax collection. However, more than an economic issue, it is a strategic choice to strengthen fundamental sectors such as journalism and, consequently, democracy itself. International experiences show that unilateral measures can bring punctual progress, but their long-term effectiveness depends on a robust global dialogue, such as the one promoted by the OECD, and local adaptation that takes into account the country's economic and cultural specificities.

In this scenario, Brazil also has the chance to play a pioneering role, not only as an actor aligned with global standards but as an example for countries in the Global South facing similar challenges. Binding the funds collected through digital taxes to strategic areas, such as public interest communication, is not only a form of compensation but a way of investing directly in the quality of the public sphere and informational plurality.

The success of this endeavour depends on informed choices and political and legal coordination to ensure the soundness and legitimacy of the proposals. Organised civil society will also play an essential role, demanding transparency and defending models that promote fiscal justice and democratic strengthening.

The conclusion is clear: the crisis in journalism and the challenges of digital taxation should not be treated as isolated issues. Integrating these topics into a single, cohesive agenda represents a transformative opportunity for Brazil, with impacts that could echo beyond its borders. This is the moment to connect tax justice, digital innovation and democratic strengthening in a single movement, showing the world that the country is capable of facing complex challenges with creativity, solidity and social commitment.

## Credits

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Caminho	Alternativas	Vantagens e desvantagens no tema do jornalismo	Desafios políticos	Capacidades a serem fortalecidas
Tributos sobre serviços digitais	CIDEs (ex: CIDE-Digital, CIDE-Internet, CONDECINE e CIDE-Detox Digital)	Vantagens: vinculação específica para financiar jornalismo; endereçam exploração econômica das plataformas.  Desvantagens: riscos jurídicos (domínio econômico e referibilidade); necessidade de justificar intervenção estatal.	Construir argumentação política e jurídica consistente; combater a narrativa de “privilégio” a setores.	Blindagem jurídica (referibilidade); narrativa pública robusta; discussão ampla sobre destinação dos recursos.
	Contribuições sociais (ex: CSSD, CSESD,...)	Vantagens: inspiração em experiências internacionais; flexibilidade para vincular à comunicação social.  Desvantagens: risco de engessamento pela seguridade social; necessidade de formulação jurídica sólida.	Debate constitucional sobre função social da comunicação; evitar captura por áreas tradicionais (saúde, assistência).	Utilizar exemplos internacionais; estruturar contribuição como instrumento da ordem social da Constituição (Capítulo V).
	Regime diferenciado do COFINS (ex: PLP 131/2020 - COFINS - plataformas digitais)	Vantagens: reconhecimento da necessidade de tributação de serviços digitais.  Desvantagens: arrecadação vai para seguridade social, sem beneficiar diretamente o jornalismo.	Baixa atratividade política para o campo do jornalismo.	Redirecionar esforços para modelos de maior retorno para o ecossistema de comunicação pública.
	Taxa de Fiscalização (ex: taxa de fiscalização das Plataformas Digitais - ANATEL)	Vantagens: reconhecimento da necessidade de tributação de serviços digitais.  Desvantagens: arrecadação vai para o órgão regulador, sem beneficiar diretamente o jornalismo.	Baixa atratividade política para o campo do jornalismo.	Redirecionar esforços para modelos de maior retorno para o ecossistema de comunicação pública.
Adicional da CSLL (Pilar 2 da OCDE)	Lei 15.079/24	Vantagens: arrecadação adicional sobre multinacionais; alinhamento internacional.  Desvantagens: ausência de destinação específica; impacto indireto sobre o jornalismo.	Implementação já iniciada; debate deslocado para outros instrumentos.	Priorizar caminhos mais diretamente ligados ao ecossistema de comunicação.
Imposto seletivo	Reforma tributária (LC 214/25)	Vantagens: narrativa de regulação de efeitos deletérios dos serviços digitais. Desvantagens: difícil enquadramento jurídico; recursos não podem ser carimbados para o jornalismo.	Inviabilidade de de inclusão das plataformas no escopo do IS; ausência de vinculação de recursos.	Foco em instrumentos que garantam financiamento direto ao jornalismo e comunicação de interesse público.