

Brazil announces tax breaks to spur communications growth

RIO DE JANEIRO, March 12 (Xinhua) -- Brazil Tuesday announced 20 to 80 percent tax cuts for television, broadband and mobile Internet businesses as an incentive to expand the country's communication network.

In return for the tax breaks, the companies are required to purchase local materials and invest in less developed regions of Brazil.

The tax cuts are expected to bring in some 18 billion reais (9.15 billion U.S. dollars) in new investment by communication companies over the next few years for network expansion.

The move came less than a week after Brazil cut federal taxes last Friday for several staple foods and cleaning products, which will lower their prices by about 10 percent.

In 2012, Brazil's growth rate registered a lower-than-expected 0.9 percent, while unemployment fell to a record-low 4.6 percent.