

PUERTO RICO TAX FILING EXTENSIONS AND MORATORIUMS DUE TO COVID-19

The Government of Puerto Rico issued several filing extensions, moratoriums and exemptions to tax requirements for business owners due to the COVID-19 outbreak. The following is a summary of recent tax pronouncements related to the COVID-19 emergency. Additional Puerto Rico tax pronouncements are expected as new developments on the COVID-19 virus arise.

Income Tax Return and Income Tax Payments

On March 24, 2020, the Governor of Puerto Rico announced that the filing of the income tax return and income tax payments for individuals and businesses was extended from April 15, 2020 to July 15, 2020. The details of these extensions will be part of future pronouncements from the Puerto Rico Treasury Department.

Sale and Use Tax (SUT) Monthly Return and Payment

The due date for the February 2020 monthly SUT return and payment of March 20, 2020 was extended to April 20, 2020.

Informative Returns and Other Puerto Rico Treasury Forms

All informative returns must be filed with the Puerto Rico Treasury Department and sent to the taxpayers no later than April 15, 2020. This due date had been previously extended from the 28th of February to March 31, 2020.

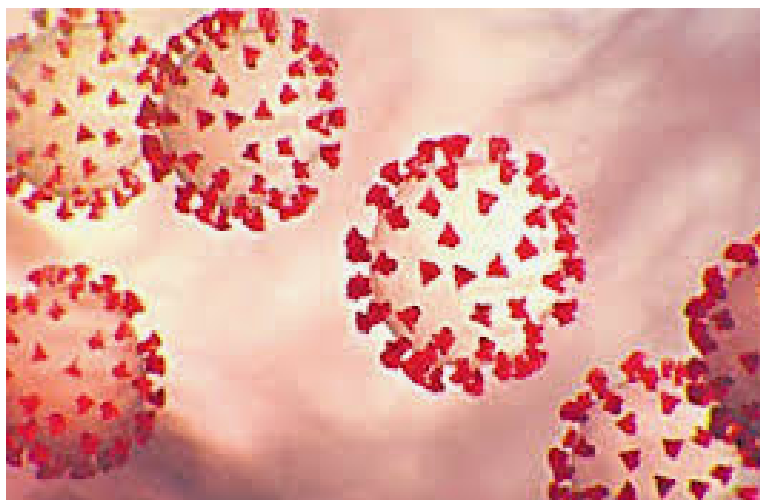
The Puerto Rico Treasury Department also postponed the deadline of any form and return due between March 15 to April 15, 2020, for an additional 30-day period.

Municipal License Tax Return and Payment Extensions (*Patente*)

The Volume of Business Tax Return and its Time Extension Request could be filed by May 22, 2020. The deadline for the municipal license tax return is five (5) days after April 15. The municipalities are authorized to approve time extensions duly filed on May 22, 2020 for up six (6) months (December 23, 2020).

Payment Plans and Penalties

The Puerto Rico Treasury Department will not require taxpayers to make a payment to payment plans due between March 16 and April 30, 2020, neither will it impose penalties for lack of payments during that period. In the case of payment plans that include automatic debit of payments, it is recommended that taxpayers postpone the payment date in March through the Department of the Treasury website known as SURI otherwise the system could automatically debit the payment.



Administrative Hearings and Treasury Notifications

The Puerto Rico Treasury Department suspended all administrative hearings cited from March 16 to June 15, 2020. No new date for those hearings has been announced yet.

The expiration period of mathematical error notifications and other adjustments to an income tax return was extended for an additional term of 120 days.

Licenses and Bonds

All licenses and bonds that expire between March 15 and March 31, 2020, are considered automatically extended until April 30, 2020.

More details on this and other tax provisions related to the COVID-19 emergency are expected to be disclosed by the Puerto Rico Treasury Department in the following weeks.

Should your company have any questions or interest with respect to the tax filing extensions and payment moratoriums, you may contact the attorneys at Vidal, Nieves & Bauzá, LLC, a corporate law firm with a special emphasis in energy and environmental matters, corporate, tax, transactional, real estate and insurance practices.

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