



THE POWER
OF BEING
UNDERSTOOD

VAT—RECENT DEVELOPMENTS

Year 2016 Issue #8

Earlier this week it was unanimously approved by the House of Representatives a bill that eliminates the Value Added Tax System ("VAT") provisions of the Puerto Rico Internal Revenue Code of 2011, as amended. Yesterday, the Senate of Puerto Rico also approved unanimously this bill. The bill will now be delivered to the Governor for his signature. If the bill becomes law, we will continue with the current Sales & Use Tax of 10.5% (plus 1% municipal) and the special rate applicable to designated professional services and business to business services of 4%.

We will monitor the development related to this bill and keep you informed of its final outcome. If you have any questions or comments related to the content of this Tax Alert, please feel free to contact your Tax Advisor at RSM Puerto Rico.

Reminders & Due Dates

- May 10, 2016 – Monthly Declaration of Imports
- May 10, 2016 – Monthly Excise Tax Return
- May 10, 2016 – Deposit of Income Tax withheld on payments for services rendered
- May 15, 2016 – Deposit of Income Tax withheld on salaries of those employers classified as monthly depositors
- May 16, 2015 – Personal Property Tax Return