

TAX ALERT
June 14, 2008

**PR Treasury Changes Due Date of Form 480.70(OE) for Trusts
Funding Qualified Retirement Plans**

We have just been informed that, the Puerto Rico Treasury Department ("PR Treasury") has internally adopted a change in the due date of Form 480.70(OE), "Annual Return of Organization Exempt from Income Tax," only with respect to trusts funding retirement plans qualified under the Puerto Rico Internal Revenue Code of 1994, as amended. Before the change, trusts funding Puerto Rico qualified plan were required to file Form 480.70(OE) on or before April 15 of each year. An automatic 90-day extension was available by timely filing Form SC 2644, "Request for Extension of Time to File the Income Tax Return."

The new regular due date, which is effective for the 2007 Form 480.70(OE), is the last day of 7th month following the close of the plan year (July 31 for a calendar year plan). A 2 ½ month automatic extension (until October 15 for a calendar year plan) is available by filing Form SC 2644 before the regular due. These due dates are consistent with the due dates for filing a retirement plan's Form 5500 with the U.S. Department of Labor's Employee Benefits Security Administration.

Next week, the PR Treasury is expected to issue a revised Form SC 2644 to provide for the 2 ½ month automatic extension for trusts funding qualified plans. The PR Treasury is expected to formally adopt the change in due date by amending applicable regulations at a later date.

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If you have any questions or comments, or wish additional information regarding the matters discussed herein, you may contact any of the attorneys listed below, all members of our Retirement Plans Practice Area:

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