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***TAX EXEMPTION and HOSPITALITY INDUSTRY PRACTICE TEAMS
WEBCAST***

***SIGNIFICANT DEVELOPMENTS AFFECTING
TOURISM INCENTIVES IN PUERTO RICO***

On July 10, 2010, the Puerto Rico government enacted Act 74, which contains a series of measures designed to foster economic growth by providing a tax incentives structure geared towards promoting local and attracting foreign investment, as well as facilitating the financing of tourism projects in Puerto Rico. First, the government enacted the "Puerto Rico Tourism Development Act of 2010," which maintains many of the concepts from its predecessor, while providing new tools to help Puerto Rico compete with other hospitality venues in a more challenging environment. Second, the government amended the Puerto Rico Tourism Development Act of 1993 and the Puerto Rico Internal Revenue Code of 1994 to complement and further the public policy objectives enumerated in Act 74.

McConnell Valdés LLC hosted a live Webcast on October 8, 2010, and discussed the most relevant implications these actions will have on existing tourism operations and on companies seeking to establish tourism operations in Puerto Rico.

For your convenience, a [recording of the webcast](#) and a copy of the [PowerPoint presentation](#) are now available for your review.

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