

TAX ALERT

May 29, 2009

THE PUERTO RICO DEPARTMENT OF TREASURY ISSUES ADMINISTRATIVE DETERMINATION THAT POSTPONES THE EFFECTIVE DATE OF CERTAIN OPERA PROVISIONS

Act No. 7 of March 9, 2009, known as the Omnibus Plan for Economic Reconstruction Act (“OPERA”), amended certain sales and use tax (“SUT”) and other provisions of the Puerto Rico Internal Revenue Code of 1994 (the “Code”), effective April 1, 2009. Thereafter, Act No. 15 of April 23, 2009 postponed the effective date of the SUT provisions included in OPERA to June 1, 2009.

Today, the Puerto Rico Treasury Department (“Treasury”) issued Administrative Determination 09-02 (“AD 09-02”) to postpone the effective date of the following provisions introduced by OPERA:

- The provisions related to the use of the SUT credit and the substitution of the exemption certificate shall become effective on November 1, 2009;
- The monthly SUT returns and payment of the SUT collected shall be due on the 10th day of the month following that in which taxes are collected beginning on November 2009 (i.e. SUT collected during the November 2009 sales are due December 10, 2009, and so on);
- The inclusion of “motorcycles” and “scooters” into the definition of “automobiles” for excise tax purposes shall become effective on July 1, 2009; and
- The due date for filing the informative return required to create the Registry of Tax Credits shall be July 31, 2009.

For updates on this matter, you may contact any of the attorneys listed below, all members of our Tax Practice Group.

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