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TAX ALERT

New Property Tax Amnesty

Act No. 145-2013, enacted on December 9, 2013, amended the Municipal Property Tax Act of 1991 to establish a new temporary real and personal property tax amnesty or incentive program. This tax amnesty program provides an opportunity to pay certain unpaid property taxes due and have all additions waived. In addition, the tax amnesty provides for payment plan opportunities with attractive interest rates, instead of the regular additions, as follows:

<u>Alternative</u>	<u>Initial Payment</u>	<u>Repayment Period</u>	<u>Interest Rate</u>
1	10% of principal amount	1 year	-
2	10% of principal amount	2 years	5%
3	10% of principal amount	3 years	7%
4	10% of principal amount	4 years	10%

You may access Act No. 145-2013 [here](#).

Effective Date

On December 12, 2013, the Municipal Revenue Collection Center (“CRIM”, for its Spanish acronym) issued [Administrative Order No. 2013-06](#), providing that the amnesty will commence on December 18, 2013 and will be in effect until March 27, 2014.

Eligible Debts

The amnesty program is not available for real property tax debts related to taxable year 2013-14, for personal property tax debts related to year 2013, or for real or personal property tax debt related to any subsequent taxable year.

The act also provides for certain exclusions, penalties and additional special provisions.

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