

December 30, 2013 www.mcvpr.com**TAX ALERT*****Additional Extension to File Request for Waiver for Gross Receipts Tax***

Article 8 of Act 117-2013 amended Section 1023.10 of the Puerto Rico Internal Revenue Code of 2011 ("PR Code"), to provide requirements for the filing with the Puerto Rico Department of the Treasury ("Treasury") of a request for a reduction in the rate of the additional tax on gross receipts under PR Code Section 1023.10. The deadline to file such request with respect to taxable years commenced during calendar year 2013 was originally November 30, 2013.

Through Administrative Determination 13-19, Treasury extended such deadline until December 31, 2013.

Now, following the filing of a complaint by the Puerto Rico Food Industry Marketing and Distribution Chamber (MIDA) challenging the constitutionality of the tax and requesting injunctive relief from its payment, Treasury has further extended such deadline until January 31, 2014 through Administrative Determination 13-21 ("AD 13-21").

AD 13-21 establishes that Treasury has ninety (90) days to make a determination after the filing of the request as to the waiver. However, such ninety (90) day period may be suspended if within sixty (60) days from the filing of the request, Treasury requests additional information. In this case, the ninety (90) day period to issue a determination by Treasury will resume when the tax payer submits the additional information requested.

The provisions of AD 13-21 are effective immediately. A copy of AD 13-21 is available [here](#).

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

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