

## Puerto Rico Treasury extends SUT exemption to textbooks and notebooks

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### PRACTICE AREAS

- Retail
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### An McV Tax Alert

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On June 10, 2016, the Puerto Rico Department of the Treasury issued Administrative Determination No. 16-10 (“AD 16-10”) to extend the sales and use tax (“SUT”) exemption on “printed books” to textbooks in electronic format (e-books) and notebooks. AD 16-10 defines “textbooks” as printed or electronic format textbooks listed in official school or university textbook lists to be used in a particular grade or course, including music books and notebooks.

Textbooks can be acquired all year long without paying the SUT since the exemption is not limited to the sales-tax-free holiday period. The items that will be exempt from the SUT during the back to school sales-tax-free holiday period are listed in our June 3, 2016 McV Tax Alert.

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