

Important Volume of Business Declaration and Property Tax Developments

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PRACTICE AREAS

- Tax

An McV Tax Alert

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In response to the COVID-19 Emergency, the Puerto Rico Office of Management and Budget and the Municipal Revenue Collection Center (“CRIM”) issued the following publications:

Volume of Business Declaration Filing Deadline Postponed

Further to our **Tax Alert of March 24, 2020**, on March 25, 2020, the Puerto Rico Office of Management and Budget issued Circular Letter No. 005-2020 (“CL 05-20”) providing that the deadline for filing the Volume of Business Declaration (“Declaration”) for fiscal year 2020-21 will be postponed to **July 22, 2020**.

Any request for extension to file a Declaration (“Extension Request”) must also be filed on or before July 22, 2020. CL 05-20 also indicates that any business that wishes to benefit from the 5% discount, will have until July 22, 2020 to pay the total amount of the Municipal License Tax due and file the Declaration or the Extension Request.

Personal Property Tax Return Filing Deadline Postponed

On March 26, 2020, CRIM issued Administrative Order 2020-03 (“AO 20-03”) providing that, the deadline for filing the Personal Property Tax Return for the economic year 2019 will be postponed to **August 1, 2020**. Any request for extension to file the Personal Property Tax Return must also be filed on or before July 22, 2020.

Also, AO 20-03 establishes that, when timely requested, the automatic extension for personal property tax will end on **November 2, 2020** for every taxpayer.

Moratorium on Payment of Interest, Penalties and Surcharges on Real Property Tax

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On March 26, 2020, CRIM issued Administrative Order 2020-04 (“AO 20-04”) to establish a moratorium on the payment of interest, penalties and surcharges on real property tax until **May 29, 2020** (“Moratorium”). The Moratorium will only apply to the payment of real property tax corresponding to the second semester of fiscal year 2019-2020 (“Second Semester”). Therefore, a taxpayer may pay its real property taxes due for the Second Semester (with a deadline of March 31, 2020) until May 29, 2020, without the imposition of interest, penalties or surcharges.

The Moratorium will be automatically granted to any taxpayer under a payment plan, until May 29, 2020. That is, the months under the payment plan that fall within the Moratorium will be added to the final date in which the payment plan is projected to be paid.

If you have any questions regarding these important notifications, please contact any of the attorneys listed below. Please note that all our attorneys are working remotely and can be reached by email and through their cell phones. We will keep sending updates as events unfold.

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