



July 29, 2014

Tax Bulletin 2014-01

Estimated Tax Payments on Personal Property Taxes CRIM Administrative Order No. 2014-03

On July 14, 2014 the CRIM (administrative agency for personal and real property taxes) issued the Administrative Order No. 2014-03 (AO 2014-03) on the rules to be followed on the payments of estimated personal property taxes starting on August 15, 2014. The following summarizes the most important aspects of AO 2014-03:

- The self- assessed personal property tax must be paid in 4 (four) equal installments as follows:
 - 1st – on or before 15th day of August
 - 2nd – on or before the 15th day of November
 - 3rd – on or before the 15th day of February
 - 4th – on or before the 15th day of May
- If the requirement to pay estimated taxes arises on or before the due date of any of the four (4) required installments, the tax must be deposited within the remaining installments due dates.
- The last payment due on the 15th day of May must be enough to completely pay the self-assessed personal property tax for the year. It must be paid with the return or the extension of time to file, less the 5% discount, if applicable.
- Advanced payments of the estimated personal property tax will be accepted if the taxpayer wishes to do so.
- Any overpayment from the previous year may be applied to the first estimated tax installment or to the total estimated tax for the year. This election must be made at the time of filing the tax return.
- For tax year 2014 only, the taxpayer will be allowed to enjoy the benefit of the 5% discount only if the estimated tax for the current year is satisfied under the four (4) required installments, or as applicable. For tax year 2015, and thereafter, the 5% discount will only be available to those taxpayers that pay, in the first installment due date (15th day of August) the total amount of the self-assessed tax determined in the previous year.
- Taxpayers not required to make estimated tax payments (including those with a tax liability of \$1,000 or less) may claim the 5% discount at the time of filing the personal property tax return.

- Estimated tax installments may be adjusted to increase or decrease based on events occurring during the year that require adjustment to the tax amounts previously determined.
- The first installment of the estimated tax will be paid on or before August 15, 2014 using Form BC-85-ES that will be available at the CRIM Portal. The payments must be made at any of the regional offices of the CRIM.
- On any required estimated tax installment not made on time or incomplete, a 5% will be added to the tax. However, for the year 2014 the 5% addition to the tax is not applicable for the first and second installments.
- Estimated tax payment will be the lesser of:
 - 90% of the current year tax liability or
 - the total of the tax paid on the previous year after considering the discount

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