



TAX BULLETIN 2014 - 02

Municipality of San Juan – Tax Amnesty

The Municipality of San Juan issued on October 31, 2014, Municipal Ordinance No. 15 Serie 2014-2015 (MO-N-15) declaring and promoting a tax amnesty over Municipal License Tax debts and a voluntary disclosure program over the Declaration of Volume of Business.

The amnesty period runs from November 1, 2014 to February 28, 2015.

In order to benefit from the amnesty, the Municipal License Tax Return (MLT) for the year 2013 (fiscal year 2014-2015) must have been filed and the tax been paid; a Declaration of Volume of Business for the years not filed (voluntary disclosure) must be filed, and the taxpayer must commit to file in the future the annual Declaration of Volume of Business, under a statement made part of a closing agreement to be executed with the Municipality.

The amnesty will cover:

- Payment of principal only on tax debts for fiscal years 2010-2011 through 2013-2014 (waiving interest, penalties and surcharges). An installment plan is available and if requested, it will include also the payment of 10% of the total amount accrued for interest, penalties and surcharges on the existing debt.
- For fiscal years 2006-2007 to 2009-2010 the benefit will be to pay 65% of principal only (70% if an installment plan is requested).
- For fiscal year 2005-2006 and previous years, the benefit will be to pay 45% of principal due only. If the installment plan is requested, the benefit will be 50% of the principal only.

The MO-N-15 also provides for a down-payment requirement, interest to be charged and maximum payment terms on installment plans. A non-refundable .5% of the amount due (not less than \$25 or no more than \$500) will be collected by the Municipality as an administrative charge.

The amnesty is also available for taxpayers under investigation or under on going court proceedings for collection of taxes due to the Municipality.

In order to benefit from this amnesty, the execution of a closing agreement with the Municipality is required.

Payments can be made in cash, debit or credit card, certified check or money order.

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