



40
years
**GROWING
TOGETHER**

VALDES, GARCIA, MARIN& MARTINEZ, LLP
CERTIFIED PUBLIC ACCOUNTANTS& CONSULTANTS

TAX ALERT 2019-06

December 17, 2019

www.vgmmcpa.com

A PUBLICATION FROM THE TAX DIVISION

PR Department of Treasury Issued Circular Letter No. 19-15 Waiver Certificates



Please contact your account service partner should you have any questions or comments or if you need additional information regarding these matters.

Tel. (787) 725-1600

Lucy Martínez
lmartinez@vgmmcpa.com

Idsa Ramos
iramos@vgmmcpa.com

Sofía Benítez Arraiza
sbenitez@vgmmcpa.com

Yahaira Feliciano Ramos
yfeliciano@vgmmcpa.com

Please contact us at (787) 725-1600 or at fsosa@vgmmcpa.com if you would like to subscribe or unsubscribe from these publications.

Section 1062.03 of the Puerto Rico Internal Revenue Code of 2011, as amended, (the “Code”), establishes the general obligation of any person, natural or legal, that in the exercise of an industry or business activity or for the production of income in Puerto Rico, makes payments to another person or entity for services rendered, to deduct and withhold ten percent (10%) of said payments. In addition, section (g) of said Section authorizes the Secretary of the Treasury to grant partial and total waivers of the 10% withholding, subject to the terms and conditions established therein.

On December 9, 2019, Treasury issued Circular Letter 19-15 (“CC RI 19-15”) to inform about the process for the issuance of the Automatic Waivers and for requesting Waivers for the year 2020. For the calendar year 2020 only, Treasury will issue the Automatic Waivers to all those taxpayers who received a Waiver for the year 2019 and:

- have an active account in SURI;
- are up to date with the filing of their returns and/or declarations of Sales & Use Tax and any other tax; and
- have no other tax debts at the end of December 2019.

Those taxpayers who receive an Automatic Waiver for the year 2020 and consider that they are not eligible to receive the same, must not use it.

All Waivers will be issued only through the taxpayer’s Internal Revenue Unified System account (“SURI”, by its Spanish acronym). For the year 2020, taxpayers who qualify for the Waiver during the first three years of the commencement of a service activity in accordance with the provisions of Section 1062.03 (b) (8) of the Code, may request the same using any of the following alternatives:

- Electronically - sending a request through SURI; or
- Personally - through Treasury’s Taxpayer Services Centers

TAX ALERT 2019-06
PR Department of
Treasury
Circular Letter No. 19-15
Waiver Certificates

Taxpayers who do not receive the Automatic Waiver and consider that they meet the criteria established in Section 1062.03 (g) of the Code, may request their Waiver using any of the above-listed alternatives, and/or by phone at (787) 622-0123.

Taxpayers interested in confirming the validity of a Waiver may access the SURI homepage through: <https://suri.hacienda.pr.gov>.

The provisions of CC RI 19-15 are effective immediately.

Valdés, García, Marín & Martínez, LLP is a Puerto Rico based firm of Certified Public Accountants and Consultants organized as a partnership for the practice of public accounting since 1975. Our 40 years of experience in public accounting support our commitment to excellence and professionalism.

This Tax Alert has been prepared for informative purposes. It is not intended to provide and does not constitute tax advice.

©2019 Valdés, García, Marín & Martínez, LLP. All rights reserved. www.vgmmcpa.com

Please contact us at (787) 725-1600 or at fsosa@vgmmcpa.com if you would like to subscribe or unsubscribe from these publications.