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TAX ALERT 2021-07

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A PUBLICATION FROM THE TAX DIVISION

WITHHOLDING STATEMENTS AND INFORMATIVE RETURNS FOR TAX YEAR 2021



On November 2, 2021, the Department of the Treasury ("Treasury") issued Informative Bulletin No. 21-09 to notify the publication of the Withholding Statements (Forms W-2) and Informative Returns (Forms 480) for the calendar year 2021 and inform the most significant changes made to said forms.

Most Significant Changes for Year 2021

- **Form 480.6B Informative Return- Other Income Subject to Withholding** - a space was added in the box *Payments for Judicial or Extrajudicial Indemnification* (Box 1) to mark if the payment being reported is attributable to a capital asset.
- **Form 480.6SP Informative Return - Services Rendered** - the instructions clarify that amounts reimbursed to service providers (such as reimbursed expenses, for example), should be **excluded** from the amounts reported in Boxes 1 to 4. Instead, such reimbursements are to be reported in the box for *Reimbursed Expenses* of this form.
- **Form 480.7G Informative Return - Tuition Statement for the American Opportunity Tax Credit** - this new form replaces the Certification established in Part II-F-1 of the Internal Revenue Circular Letter No. 21-02 ("CC RI 21-02") to standardize the way in which the Eligible Educational Institutions (as defined in CC RI 21-02) report the information required for purposes of the American Opportunity Tax Credit.
- **Form 480.5 Summary of Informative Returns** - The box of Form 480.6E (Informative Return - Mail Order Sales) was eliminated, because said informative return is no longer used as notified in the Internal Revenue Information Bulletin No. 21-02. In addition, a box was added for Form 480.7G (Informative Return - Tuition Statement for the American Opportunity Credit).

The version "*For Information Purposes Only*" of the Withholding Statements and the Informative Returns for the year 2021 can be accessed through Treasury's website, www.hacienda.pr.gov, under the Area of Returns, Forms and Schedules.

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

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TAX ALERT 2021-07**Withholding
Statements and
Informative
Returns 2021
(continued)****Filing**

Forms W2 and Forms 480 must be filed electronically through the Internal Revenue Unified System ("SURI", by its Spanish acronym). The employer or withholding agent must deliver a copy of these forms to the recipients within seven (7) calendar days, counted from the filing deadline. Said copy may be delivered by electronic means, as established in Internal Revenue Circular Letter No. 16-11 issued on September 28, 2016. The filing dates are summarized below.

FORM	DESCRIPTION
Due on January 31, 2022	
499R-2/W-2PR	Withholding Statement
499 R-3	Reconciliation Statement of Income Tax Withheld
480.7A	Informative Return-Mortgage Interests
480.7D	Informative Return-Automobile Lease Payments
Due on February 28, 2022	
480.6A	Informative Return-Other Income Not Subject to Withholding
480.6B	Informative Return-Other Income Subject to Withholding
480.6B.1	Annual Reconciliation Statement of Other Income Subject to Withholding
480.6D	Informative Return-Exempt and Excluded Income and Exempt Income Subject to Alternate Basic Tax
480.6G	Informative Return-Transactions Made by Electronic Means
480.6SP	Informative Return-Services Rendered
480.6SP.2	Annual Reconciliation Statement of Services Rendered
480.7F	Informative Return- Payments Received for Advertising, Insurance Premiums, Telecommunication, Internet Access and Cable or Satellite Television Services
480.7G	Informative Return-Tuition Statement for the American Opportunity Tax Credit
Due on April 18, 2022	
480.6C	Informative Return-Payments to Nonresidents or for Services from Sources Outside of Puerto Rico
480.30	Nonresident Annual Return for Income Tax Withheld at Source
Due on January 31, 2022, February 28, 2022, April 18, 2022 or November 30, 2022, as applicable	
480.5	Summary of Informative Returns
480.7	Informative Return-Individual Retirement Account
480.7B	Informative Return-Educational Contribution Account
480.7B.1	Annual Reconciliation Statement of Tax Withheld from Individual Retirement Accounts and Educational Contribution Accounts
480.7C	Informative Return-Retirement Plans and Annuities
480.7C.1	Annual Reconciliation Statement of Tax Withheld from Retirement Plans and Annuities
Due on or before the filing deadline for the income tax return, including extension	
480.7E	Optional Informative Return-Advertising, Insurance Premiums, Telecommunication, Internet Access and Cable or Satellite Television Services

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. Over 45 years of experience in public accounting support our commitment to excellence and professionalism.

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