



## **OFFICIAL COMMUNICATION**

**TO: APPLICANTS, GRANTEEES AND REPRESENTATIVES OF APPLICANTS AND GRANTEEES OF ACT 20, ACT 22, ACT 73 AND ACT 83 TAX EXEMPTION DECREES**

**RE: ONLINE PLATFORM FOR THE SUBMITTAL AND MANAGEMENT OF TAX INCENTIVES APPLICATIONS AND ANNUAL REPORTS**

The Department of Economic Development and Commerce (“DDEC”) and the Office of Industrial Tax Exemption (“OITE”) are transforming the way Puerto Rico does business and making it easier for you and your business to benefit from the wide array of incentives we offer. Through the DDEC Online Applications Platform (“Platform”), a secure web-based application portal, you will be able to enjoy many functionalities to facilitate both the application and the compliance processes. The official launching of the DDEC Online Applications Platform and the date it will be available to all users will be announced within the next weeks.

The Platform will provide a faster and easier experience to all of those who want to enjoy the multiple benefits of the Puerto Rico’s Tax Incentives Program. In its initial stage, the system will allow businesses and individuals to create and manage applications (including uploading and storing corporate documents) under Act 20-2012, Act 22-2012, Act 73-2008, and Act 83-2010 (“Acts”), track the status of applications, communicate with DDEC/OITE and comply with the annual report filing requirement under the aforementioned laws. Our goal is to eventually include within the Platform other online applications and reports under other laws that are part of our attractive Puerto Rico’s Tax Incentives Program. After launching, individuals and businesses will be required to file applications and annual reports using the Platform.

### **Annual Report Compliance**

The DDEC and OITE have received numerous inquiries regarding compliance with the annual reports required under the Acts. Specifically, we have received concerns from companies for which the annual reports were due on or before the date of this communication. As part of the implementation of the Platform, the OITE will not impose penalties in connection to the annual report of the last taxable year, on any Act 20, Act 73 or Act 83 company that had an obligation to file an annual report before the launching of the Platform. A 30-day grace period starting on the official launching of the Platform will be granted to said businesses.

As for individuals with the obligation to file an Annual Report under Act 22, pursuant to the provisions of the Act 22 Decree, the date of filing of the Annual Report is within thirty (30) days after the date provided by law to submit income tax returns, including any extensions. A 30-day period starting on the official launching of the Platform will be granted to all Act 22 grantees for calendar year 2014.

No annual reports for any of the Acts will be accepted by mail or in person after April 22, 2015. Please withhold from said filings, which will have to be done on the Platform, pursuant to the grace periods described above.

You will be receiving another communication during the next few days to provide further information on the transition and user registration process to ensure the continuity of filings. In the meantime, you can visit the Office of Industrial Tax Exemption's website, [www.oeci.pr.gov](http://www.oeci.pr.gov), or call us at (787) 764-6363.

We thank you for your patience and understanding in this transition process. We are certain this transformation will have a positive impact on your business in Puerto Rico.

The Department of Economic Development and Commerce