

July 2, 2015

Corporate Update

Postponement of the Effective Date for the Collection of 2% Special Charge on Money Orders Until December 31, 2015

Act No. 136-2010, known as the “Act to Regulate the Money Transfer Businesses” (“MTB Act”) as amended by Act No. 136-2014 and Act No. 196-2014, imposes a Special Charge of 2% (“Special Charge”) on all money transfers processed or completed by a money transfer business (“MTB”) electronically, by check, money order, fax, air transportation or any other means.

On December 11, 2014, the Puerto Rico Treasury Department (“Treasury”) issued Administrative Determination No. 14-30 (“AD 14-30”) to: (i) modify the list of transactions subject to the Special Charge; (ii) establish the process for the deposit of the Special Charge to be collected and (iii) establish the process to obtain the Model Notice.

Our Legal Update on AD 14-30 can be accessed [here](#).

On January 23, 2015, the Treasury issued Administrative Determination No. 15-03 (“AD 15-03”) to postpone the effective date for the collection of the Special Charge on money orders until February 28, 2015. Subsequently, on March 16, 2015, the Treasury issued Administrative Determination No. 15-04 (“AD 15-04”) to further postpone the effective date for the collection of the Special Charge on money orders until June 30, 2015.

On June 30, 2015, the Treasury issued Administrative Determination No. 15-11 (“DA 15-11”) to further postpone such effective date as follows:

- The effective date for the collection of the Special Charge on money orders is postponed until December 31, 2015.
- Beginning January 1, 2016, all MTB’s and their authorized agents shall collect the Special Charge on money orders, in compliance with the MTB Act.
- All MTB’s shall continue to collect the Special Charge on all other transactions subject to the Special Charge, as established by AD 14-30.

You may access DA 15-11 (in Spanish) [here](#).

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