

December 18, 2017

Corporate Update

Late Filing of Annual Reports or Payment of Annual Fees – Extension of Time and Waiver of Penalties

On December 5, 2017, the Puerto Rico Secretary of State (“Secretary”) issued Administrative Order 2017-04 (“AO 2017-04”) granting a waiver of the penalties resulting from either the late filing (or no filing) of the annual reports or the late payment (or no payment) of the annual fees for 2016, which were due on October 30, 2017. Accordingly, entities organized under the laws of Puerto Rico and entities authorized to do business in Puerto Rico that have not filed or paid the appropriate reports or fees, respectively, have until February 8, 2018 to comply with these requirements.

Moreover, AO 2017-04 provides that if a non-for-profit entity requests this waiver it must pay a fee equivalent to 200% of its corresponding annual fees. In the case of for-profit entities, this amount increases up to 300% of its corresponding annual fees.

Finally, AO 2017-04 states that during the upcoming days, the State Department will be notifying the entities that have not complied with the filing or payment requirements for the last 2 years for corporations and 3 years for LLCs of its intention to cancel their certificates of incorporation, organization or authorization to do business in Puerto Rico.

You may access AO 2017-04 (Spanish version) [here](#).

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