

February 6, 2019

Tax Update

Non-Applicability of Fines, Interest, Penalties, and Surcharges on Tax Filing Transactions Through the Unified System of Internal Revenue ("SURI")

Pursuant to Puerto Rico Department of the Treasury ("Treasury") Circular Letters No. 18-16 ("CC 18-16") and No. 18-17 ("CC 18-17") taxpayers must use the SURI platform for transactions related to: (i) tax withholding, including the filing of withholding statements and informative returns; (ii) estate and gifts returns; as well as (iii) duties, excise taxes, and license fees imposed on alcoholic beverages ("Phase-2 Transactions").

Due to apparent taxpayer difficulties in this process, on January 29, 2019 Treasury issued Internal Revenue Informative Bulletin [No. 19-02](#) ("BI-RI 19-02") informing it would waive interest, fines, surcharges, or penalties with respect to filings and payments related to Phase-2 Transactions with filing dates between December 10, 2018 and February 28, 2019.

Employers must still electronically file all employee wages records (Forms 499R-2/W-2PR and 499-R3) by no later than February 28, 2019. Accordingly, no extension to file will be granted or considered by the Treasury for wage filings after such date. Sales and Use Tax related transactions must also be filed by the corresponding due dates, as such transactions are not part of the Phase-2 implementation.

The provisions of BI-RI 19-02 are effective immediately.

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