

March 16, 2020

Legal Update – Tax

Puerto Rico Treasury Department Response to Covid-19

On Friday, March 13, 2020, the Puerto Rico Treasury Department issued Administrative Determination No. 20-03 (“AD 20-03”) and Internal Revenue Informative Bulletin 20-07 (“IB 20-07”) informing of steps taken to address the issuance by the Governor of Puerto Rico of Executive Order No. OE-2020-020 declaring a state of emergency due to Covid-19.

AD 20-03 extends the due date to file Puerto Rico income tax returns and to make the corresponding payments of the tax.

Passthrough Entities

The due date to file pass through returns for taxable year 2019 with due dates to file their return (including extensions) on March 16, 2020 will be extended to Wednesday, April 15, 2020. Further, the due date for payment of taxes due with these returns is extended to Wednesday, April 15, 2020. This applies to entities treated as partnerships under Chapter 7 of Subtitle A of the Puerto Rico Internal Revenue Code of 2011, Subchapter N Corporations, Special Partnerships, etc.

Taxpayers with Returns Due on April 15, 2020

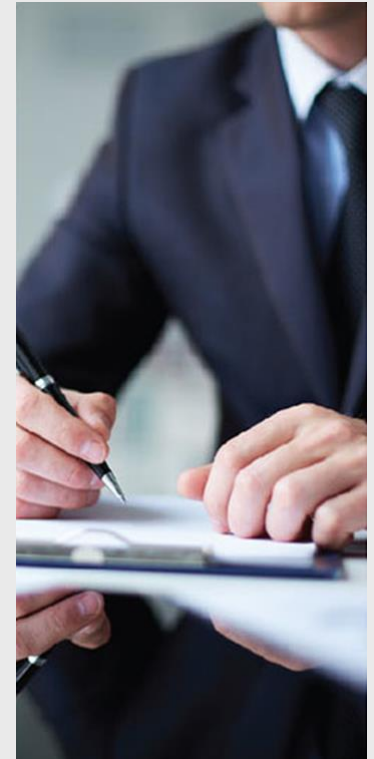
Returns or requests for extensions normally due on April 15, 2020 will be due on Friday, May 15, 2020. This extends to the payment of the taxes due and the first installment of estimated taxes that would have been due in April 15, 2020.

A full copy of AD 20-03 can be found [here](#).

IB 20-07 grants additional time to address administrative proceedings.

IR IB 20-07 grants an additional 120-day term to address every mathematical error or adjustment notice issued by the Treasury Department due to its implementation of SURI and the myriad of informative returns that will be crosschecked by the system. It also grants an additional 90-day term for the filing of administrative reviews of furnishing of any information require by the Office of Administrative Appeals that would have been due on Mach 12, 2020. All administrative hearings have been immediately postponed until further notice.

A full copy of IB 20-07 can be found [here](#).



For more information on this Legal Update, please contact:

Carlos E. Serrano

cserrano@reichardescalera.com

787.777.8815

Alba I. Joubert Pereira

ajoubert@reichardescalera.com

787.777.8825

Ernesto J. Zayas García

ezayas@reichardescalera.com

787.777.8813

This communication is for information purposes only and does not constitute legal advice. This communication may be based on authorities that are subject to change and is not a substitute for professional advice or services. You should consult a qualified professional advisor before taking any action based on the information herein. This communication does not create an attorney-client relationship between Reichard & Escalera and the recipient.

[Unsubscribe.](#)