

May 16, 2025

Tax Update

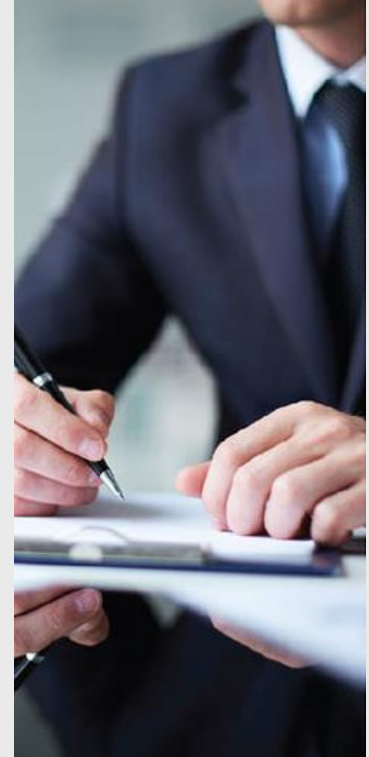
The Office of Incentives for Businesses in Puerto Rico Issues Informative Bulletin No. DDEC 25-08 Clarifying and Providing Additional Details in Connection with Deadlines for the 2024 Exempt Business Annual Reports

On May 10, 2025, the Office of Incentives for Businesses in Puerto Rico ("OI"), under the Department of Economic Development and Commerce ("DDEC"), issued [Informative Bulletin No. DDEC 2025-007](#). The bulletin reminds grant holders ("Grantees") of the filing deadlines for the 2024 Exempt Business Annual Report ("EBAR") and announces new functionalities available at the OI online portal ("Incentives Portal"), including automatic extension requests and amendments to the EBARS. For more details regarding these deadlines and Incentives Portal functionalities that may impact your filing obligations, we encourage you to review our latest [Tax Update](#) on Informative Bulletin No. DDEC 2025-007.

On May 14, 2025, the OI issued [Informative Bulletin No. DDEC 2025-08](#) ("Informative Bulletin") to clarify that the filing deadline for the 2024 EBARS will depend on the specific terms of the exempt business tax exemption grant, whether issued under Act 60-2019, known as the Puerto Rico Incentives Code, as amended ("Incentives Code") or previous incentives acts such as Act 135-1997, Act 73-2008, Act 20-2012, Act 22-2012, Act 83-2010, Act 14-2017, etc. ("Previous Incentives Acts").

Informative Bulletin No. 2025-007 introduced the option of requesting an automatic extension for the 2024 EBAR filing, provided the Grantee had filed a request for extension to file its income tax return with the Puerto Rico Treasury Department ("Treasury"). The Informative Bulletin specifies that Grantees must pay a \$105 fee in connection with the filing of such automatic extension request.

As a transitional benefit, those Grantees whose 2024 EBAR deadline is May 15, 2025, will have until June 15, 2025, to file such EBAR or request an automatic extension. Grantees that do not file an automatic extension request to file the 2024 EBAR but file such report after the applicable due date (without extension), must provide evidence of a timely income tax return extension request filed with Treasury along with their 2024 EBAR submission. Resident individual investors and those under Act 20-2012 or Act 22-2012 must file their 2024 EBARS by May 15, 2025, or within 30 days of submitting their income tax return (including extensions). Alternatively, they can submit an automatic extension request through the Incentives Portal with proof of their Treasury income tax extension request.



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Grantees classified as pass-through entities or corporations under Previous Incentives Acts, must comply with the deadlines provided in Informative Bulletin No. DDEC 2025-007 unless their tax exemption grant specifies a different date, in which case such date will prevail. Entities that amended their grants to adopt the November 15th deadline under the Incentives Code are required to comply with such deadline. Finally, the November 15, 2025, deadline for the 2024 EBAR applies to all other exempt businesses, including young entrepreneurs.

If you have any questions or need additional information about the 2024 EBAR filing deadlines, the professionals at Reichard & Escalera LLC are available to assist. Please don't hesitate to get in touch with us—we're committed to helping you navigate the requirements and stay fully compliant with the Incentives Code and relevant provisions of the Previous Incentives Acts.

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