



August 9, 2012

[www.mcvpr.com](http://www.mcvpr.com)**TAX ALERT*****Puerto Rico Treasury Department Allows Actual Expenses for the Deduction Related to the Use and Maintenance of Automobiles until December 31, 2012***

The Puerto Rico Treasury Department ("Treasury") issued Administrative Determination 12-10 ("AD 12-10") on July 23, 2012 to inform taxpayers that it would continue to allow claims for actual expenses as deductions for expenses incurred or paid in the business use and maintenance of an automobile instead of requiring the use of a standard mileage rate until December 31, 2012.

On March 14, 2012, Treasury had issued Administrative Determination 12-06 informing taxpayers that it was evaluating comments received on the proposed regulations to establish a standard mileage rate and allowing the use of actual expenses until June 30, 2012. AD 12-10 extends this period for an additional 6 months.

A copy of AD 12-10 is available here:

<http://www.hacienda.gobierno.pr/downloads/pdf/determinaciones/12-10.pdf>

A copy of AD 12-06 is available here:

<http://www.hacienda.gobierno.pr/downloads/pdf/determinaciones/12-06.pdf>

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