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EMPLOYEE BENEFITS ALERT

Extension of Time to Adopt Retirement Plan Amendments and to File Requests for Qualification under the Puerto Rico Internal Revenue Code of 2011

On November 28, 2012, the Puerto Rico Treasury Department ("Treasury") issued Circular Letter No. 12-09 ("CC 12-09") extending the due date to adopt the required qualification amendments under the Puerto Rico Internal Revenue Code of 2011, as amended ("2011 PR Code") until **June 30, 2013**, or the last day of the first plan year commenced on or after January 1, 2012, whichever is later.

The due date to submit the request for qualification with Treasury has also been extended until **September 30, 2013** or the due date for filing the employer's income tax return, including any extension, for the first taxable year commencing after December 31, 2011, whichever is later.

Pursuant to previous Circular Letter No. 11-10 ("CC 11-10") issued by Treasury on December 16, 2011, to maintain qualified status, all retirement plans that provide benefits or contributions to participants residents of Puerto Rico must be amended to adopt the new qualification requirements established by the 2011 PR Code.

CC 11-10 established that said amendments must be adopted on or before the last day of the first plan year commenced on or after January 1, 2012. Therefore, for calendar year plans, the amendments needed to be adopted on or before December 31, 2012.

Now, calendar year plans have until **June 30, 2013** to adopt the amendments under the 2011 PR Code and until **September 30, 2013** to submit the request for qualification with Treasury. Fiscal year plans and employers must determine which due date will be the later based on the above rules according to their respective plan and taxable years.

The provisions of CC 12-09 are effective immediately and apply to taxable years commenced on or after January 1, 2012.

A copy of CC 12-09 is available [here](#).

If you have any questions or would like our assistance regarding this matter, you may contact any of the following members of our Employee Benefits Practice Team:

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