

November 1, 2013 www.mcvpr.com**TAX ALERT*****Puerto Rico Treasury Department Issues
New Regulation to Amend Act 154 Regulations***

On October 21, 2013, the Puerto Rico Treasury Department published [Regulation 8391](#) to amend certain provisions of [Regulation 7970](#) of December 29, 2010, which implemented the guidelines of Sections 2101, 2102, 2103 and 2104 of the Puerto Rico Internal Revenue Code of 1994 (see also our McV Alerts of [October 25, 2010](#), [November 10, 2010](#), and [March 7, 2013](#).) Regulation 8391 is effective immediately.

Regulation 8391 includes the following changes:

For acquisitions of property or services made on or before February 28, 2013 subject to the excise tax of Act 154, said excise tax shall be deposited on or before the 15th day of the month following the month of the taxable acquisitions. For taxable acquisitions made on or after March 1, 2013, the deposit of the excise tax of Act 154 shall be made on or before the 13th day of the month following the month of the taxable acquisitions.

Regulation 8391 clarifies the computation of the various credits to offset the excise tax of Act 154 for calendar year 2013 due to the increase in the excise tax rate effective on July 1, 2013, and also provides a new \$45 million excise tax credit for controlled groups that have a) taxable acquisitions of at least \$1 billion for any calendar year after December 31, 2012, b) one single manufacturing facility in Puerto Rico, and c) taxable acquisitions of personal property manufactured in Puerto Rico that represent 90% or more of total gross receipts of the member of the controlled group that is engaged in manufacturing or related services in Puerto Rico.

Comments to Regulation 8391 must be received by the Puerto Rico Treasury Department by 5 pm on November 21, 2013.

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