

Control of Fiscal Information and Permits Act

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Environmental

On December 16, 2014, the Governor signed into law the Control of Fiscal Information and Permits Act, Act 216-2014 (“CIFP Act” or “Act”). The Act adopts a digital code known as the Control of Fiscal Information and Permits (“CIFP” for its Spanish acronym), which will substitute all permits, certification, licenses and the like which must be posted at any premises, industry or commercial establishment.

The CIFP Act provides that all permits, licenses, patents, or any other document, required by law from every business, or industry operating in Puerto Rico, will be substituted by one certification, which will be displayed inside the premises and on its entrance. This certification will include the CIFP code.

The new system is intended to simplify the permitting process and facilitate the enforcement of the Act. It also intends to improve collection of government revenues, since the CIFP will provide information on the payment status of sales and use tax, personal and real property taxes and municipal license tax.

The CIFP will contain information regarding the address, ownership and contact person, of the business; its trade or industry; and each license, certification, permit, municipal license tax or any document required for the business’ operation, including issuance and expiration dates.

The Permits Management Office (“OGPe” for its Spanish acronym) will be responsible for the implementation of the CIFP. OGPe is empowered to promulgate any necessary regulation, administrative order or other mandate, to fulfill the objectives of the Act, including requiring any necessary document or information from government agencies, public corporations and/or instrumentalities. The Executive Director of OGPe is empowered to impose administrative fines from \$1,000 to \$5,000 per violation of the provisions of the Act.

The CIFP Act amends the Puerto Rico Permitting Process Reform Act, the Autonomous Municipalities Act, and any other statute, rule or regulation inconsistent with its provisions. Pursuant to the Act, every government agency, public corporation or government instrumentality is required to amend any inconsistent administrative order, memorandum, rule or regulation, or any

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other document, in order to comply with the provisions of the Act.

This Act is effective immediately; however, the CIFP requirements will not be effective until 180 days after the promulgation of the Act.

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