

## Transition to SURI: Phase 2

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### PRACTICE AREAS

- Sales & Use Tax
- Tax

### An McV Tax Alert

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The Puerto Rico Treasury Department (“PR Treasury”) has issued various publications regarding the transition of transactions currently conducted through Colecturía Virtual, E-forms or personally, to its web-based tool, the Internal Revenue Unified System, also known as “SURI” (for its Spanish acronym). The following summarizes guidance issued to date by PR Treasury on reports, payments, requests or transactions that must be submitted/processed through SURI beginning on **December 10th 2018**.

[Internal Revenue Informative Bulletin No. 18-16 of October 2, 2018 \(“IB 18-16”\)](#)

Per IB 18-16, the following transactions must be undertaken in SURI:

#### 1. Income Tax Withholding:

- Deposit of Puerto Rico income taxes withheld;
- Filing of:
  - Employer’s Quarterly Return of Income Tax Withheld (Form 499 R-1B);
  - Withholding Statements and Corrected Withholding Statements (Forms 499R-2/W-2PR, 499R-2c/W-2cPR and 499 R-3);
  - The following Informative Returns: Forms 480.5, 480.6A, 480.6B, 480.6B.1, 480.6C, 480.6D, 480.7, 480.7A, 480.7B, 480.7C and 480.7D; and
  - Informative Returns for pass-through entities (Form 480.6 EC), revocable trusts or grantor trusts (Form 480.6 F) and employee-owned special corporations (Form 480.6 CPT)

#### 2. Estate and Gift Taxes:

- Filing of:
  - Estate Informative Return and PR Treasury Certificate of Cancellation of Lien;
  - Gift Informative Return and PR Treasury Certificate of Cancellation of Lien; and
  - Other related requests

### 3. Excise taxes, taxes on alcoholic beverages and license fees:

- Filing and payment of:
  - Excise Tax Declarations;
  - Monthly Excise Tax Returns; and
  - Alcoholic Beverage Tax Declarations
- Application for, issuance, renovation and payment of Internal Revenue License Fees;
  - Licenses will be issued by location, which will include all licenses for the relevant location (except slot machine licenses).
  - Renovation period will be sixty (60) days. Currently, the renovation period is thirty (30) days.
  - All active/current licenses will be uploaded to SURI under the “License” account
- Application for Excise Tax Manufacturer Identification Number and authorization, exemptions and other activities related to the import of alcoholic beverages and tobacco products; and
- Total electronic inventory management in bonded warehouses

PR Treasury will offer an orientation to the public on **December 4, 2018** on the above transactions through SURI at the Centro de Bellas Artes Luis A. Ferré, Sala de Teatro René Marqués, in Santurce, PR. You can register for the morning or afternoon session at the following link: <https://apps1.hacienda.pr.gov/registroevento/Inicio.aspx>. We also expect PR Treasury to issue further guidance during the initial implementation stage.

To access IB 18-16, please follow this [link](#).

#### ***Internal Revenue Circular Letter 18-13 of November 1, 2018 (“CL 18-13”)***

As indicated above, beginning on December 10, 2018, excise tax and alcoholic beverages tax reporting and payments must be made through SURI. In this regard, CL 18-13 provides that as of December 10, 2018, bonds posted with PR Treasury to defer the payment of excise or alcoholic beverages taxes (“Bond”) will also be managed through SURI. Thus, although the Bond will continue to guarantee payment of deferred excise and alcoholic beverages taxes, the Bond will be used to determine if payment of excise or alcoholic beverages taxes of a specific import will be deferred; that is, if the amount of the Bond, or the available Bond-balance, is not sufficient to cover the amount of the applicable

tax due, payment of the tax will not be deferred and the importer will have to pay the applicable tax due, or pay any taxes previously charged against the Bond. The Bond or Bond-balance will be restored when the importer pays the corresponding tax that was charged to the Bond at the time of import.

CL 18-13 provides that any Bonded Importer that wishes to adjust its Bond must submit its request through SURI.

PR Treasury will only authorize a Bond increase if an endorsement (“Rider”) from the insurance company is provided, stating the amount of the authorized and guaranteed Bond increase. The Rider must be filed with PR Treasury no later than 10 business days following the date in which the Bond increase was requested through SURI.

### Additional Considerations

- PR Treasury intends to transition Puerto Rico income tax reporting to SURI by December of 2019, as indicated in IB 18-16.
- The new reporting and filing requirements also apply to imports made through a foreign trade zone (“FTZ”). Thus, importers will have to file a declaration when the articles enter the FTZ and leave the FTZ.
- In the transition from PICO to SURI, tax debts and filings that had been clarified in the past (while the PICO and PRITAS systems were in place) reappeared in SURI. Thus, we suggest safekeeping any evidence regarding tax debts and filings that have been clarified with PR Treasury in case they reappear as a result of the data transfer from one system to another. If you are currently clarifying any filing or debt, we recommend saving the filing and debt certifications before and after the matter was corrected in PR Treasury’s system.

To access PR Treasury’s CL 18-13, please follow this [link](#).

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