



# GOVERNMENT OF PUERTO RICO

Department of the Treasury

October 26, 2017

## INTERNAL REVENUE INFORMATIVE BULLETIN NO. 17- 26

**ATTENTION: ALL TAXPAYERS**

**SUBJECT: REGISTRATION AND FILING REQUIREMENTS TO ENTITIES AND INDIVIDUALS DOING BUSINESS IN PUERTO RICO**

The Puerto Rico Treasury Department (“PRTD”) recognizes that after the impact of hurricanes Irma and Maria there are new entities and individuals doing business in Puerto Rico. The Puerto Rico Internal Revenue Code of 2011, as amended (“Code”) and its Regulations provide guidance for purposes of determining if a company is engaged in a trade or business in Puerto Rico (“ETB”) and if it is considered a Merchant for purposes of the Sales and Use Tax (“SUT”).

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In general, the analysis to determine if a company is ETB or a Merchant is based on the facts and circumstances of each case. Every entity or individual shall review the facts and circumstances related with the structure of their operations in Puerto Rico to determine if it is ETB or considered a Merchant under the corresponding nexus rules.

Based on the above, the purpose of this Informative Bulletin is to alert all entities and individuals that started or will start operations in Puerto Rico, of their obligation to register with the PRTD, following the procedures and requirements established by the Code. These requirements may include, but are not limited to the following:

- Registration with the PRTD to notify the Employer’s Identification Number (“EIN”) issued by the Internal Revenue Service (“IRS”) for purposes of income and payroll tax compliance;
- Registration with the PRTD’s Merchants Registry to obtain the Merchant’s Registry Certificate for SUT purposes;

In addition to the registration requirements, entities and individuals may be required to file monthly, quarterly, and/or annual returns with the PRTD and comply with obligations as a withholding agent. Please be aware that penalties for non-compliance may apply.

In addition, please be aware that there are registration and filing obligations with other government agencies that may apply depending on the company’s operations in Puerto Rico. These other government agencies include the Internal Revenue Service, Department of



State, State Insurance Fund, Department of Labor, Municipal Revenue Collection Center, municipalities, among others.

For additional information regarding the PRTD's registration, filing and withholding agent requirements, please visit the PRTD's website at: [www.hacienda.pr.gov](http://www.hacienda.pr.gov), or send your inquiry by email at: [infosac@hacienda.pr.gov](mailto:infosac@hacienda.pr.gov).

Cordially,

A handwritten signature in black ink that reads "Francisco Parés Alicea". The signature is written in a cursive style with a large initial 'F' and a stylized 'P'.

Francisco Parés Alicea  
Acting Secretary