



OFICINA DE RENTAS INTERNAS / CRIM

February 28, 2025

To: TAXPAYERS OF ISABELA

From: Sandra Figueroa Cruz

Director of Finance and Budget

**Re: SUBMISSION OF BUSINESS VOLUME DECLARATION FOR FISCAL YEAR 2025-2026
(LICENSE RENEWAL AND DOCUMENT REQUEST)**

Dear Taxpayer,

Please receive a warm greeting from all of us working at the Municipality of Isabela and from me personally.

According to the Municipal Code of Puerto Rico, Law 107 of August 14, 2020, as amended by the Municipal License Law, any person engaged for profit in the provision of services, sale of goods, financial business, or industry in the Municipalities of the Commonwealth of Puerto Rico is subject to licensing. All persons subject to paying the license fee, or their authorized agent, are required to file their Business Volume Declaration for the fiscal year 2025-2026 on or before April 23, 2025. By submitting your declaration on the mentioned date and making full payment of the license, you are entitled to a five percent (5%) discount.

Failure to submit your declaration by this date will result in a five percent (5%) penalty for every thirty (30) day period, up to a maximum of twenty-five percent (25%). Therefore, it is necessary that you submit or mail your completed Business Volume Declaration, accompanied by a copy of the 2024 Income Tax Return or the appropriate income annex based on the activity conducted, after it has been filed with the Department of Treasury.

In cases where the sales volume exceeds three million dollars (\$3,000,000.00), the Business Volume Declaration must be accompanied by audited financial statements by a Certified Public Accountant licensed by the Commonwealth of Puerto Rico. Circular Memorandum No. 2008-31 provides information regarding amendments to Law No. 113 of July 10, 1974, relating to new parameters for the filing of audited financial statements, Law No. 147 of August 1, 2008 – “Law of Incentives for the Development of Small Businesses in Puerto Rico.”

This Law establishes that for the purposes of Law 107, supra, and municipal licenses, the effective date of Law No. 147, supra, and the requirement for filing audited financial statements for those whose business volume exceeds three million dollars (\$3,000,000.00) annually, will apply to tax years beginning on or after August 1, 2008, the date when Law No. 147, supra, came into effect.

Furthermore, the law requires that the license be displayed in a visible location in your office or business. Failure to do so exposes you to a fine of five hundred dollars (\$500.00) or up to six months in prison, or both penalties at the discretion of the court. We encourage you to visit our office on time to

fulfill the responsibility of renewing your license for 2023-2024. Failing to do so would be a violation of Law 107, and your business would be operating illegally.

For your information and action, please be advised of the following:

1. All taxpayers must include in their Business Volume Declaration their correct and complete physical address, mailing address, email address, and phone number.
2. All taxpayers must submit a Certification of Debt from CRIM for all concepts and for filing movable property returns for the past 5 years, including short-term rental income.
3. Short-term rental businesses must submit a copy of their Tourism certificate, and a breakdown of the rental income provided by the “booking” portal for the 2024 tax year.
4. You must have complied with the filing of Sales and Use Tax returns for the 2024 tax year. Please submit a copy of the 12 Sales Tax returns filed for the 2024 year to COFIM.
5. Anyone holding a license for rental purposes must submit a CRIM certification of Property Taxes and Values, as well as a copy of the Lease Agreement for the 2024 calendar year (if no contract exists, a letter certifying the rental fee).
6. Submit the Unique Permit with all its pages, along with the valid Merchant Registration Certificate.
7. Corporations must submit the printed Employer Identification Number (IRS).
8. Any taxpayer who has not filed an Income Tax Return with the Department of Treasury must submit a letter certifying the income received in 2024 and the type of business along with their Business Volume Declaration.
9. Gas Station owners must ensure that their Business Volume Declaration is fully completed in box number five (5), and it is required to accompany it with a copy of the Gasoline Gallons Certification purchased for the 2024 tax year and the gross profit percentage under which they operated.
10. Extension requests have a due date. Therefore, when submitting any missing documents, the Business Volume Declaration must also be issued.
11. All taxpayers are requested to submit, along with their Declaration, a copy of their Reseller Certificate, Eligible Reseller, Manufacturer Plant, Eligible Wholesaler, Bona Fide Farmer, Non-Profit Entity, and Tax Exemption Decree, if applicable.

All documents must be printed and submitted; we will not accept documentation via email.

Payment Method: Cash and/or check

Any taxpayer wishing to obtain the Business Volume Declaration form can request it at our Internal Revenue Office located at Calle Corchado #75. Our office hours are from 8:00 am to 3:30 pm.

If you have any questions, please contact the Municipal Internal Revenue Office at the Department of Finance of our municipality at (787) 872-2100 ext. 2102, 2103, 2104, or 2107.