

Author: Juan Luis Alonso

If you have questions, please contact your regular Groom attorney or any of the attorneys listed below:

Juan Luis Alonso
jalonso@groom.com
(202) 861-6632

Elizabeth T. Dold
edold@groom.com
(202) 861-5406

David N. Levine
dlevine@groom.com
(202) 861-5436

Louis T. Mazawey
lmazawey@groom.com
(202) 861-6608

David W. Powell
dpowell@groom.com
(202) 861-6600

Puerto Rico Treasury Department Announces Deadline Extension for PR Code Amendments and Filings

The Puerto Rico Treasury Department (PR Treasury) recently issued Circular Letter No. 12-09 (CL 12-09) announcing a deadline extension for the adoption of amendments to retirement plans in compliance with the provisions of Section 1081.01(a) of the Puerto Rico Internal Revenue Code of 2011, as amended (2011-PR Code). Under PR Treasury Circular Letter No. 11-10, issued on December 16, 2011, plans qualified only in Puerto Rico (PR-Only Plans) and plans qualified both in Puerto Rico and the U.S. (Dual-Qualified Plans) were required to be amended in compliance with the new qualification provisions 2011-PR Code on or before the last day of the plan year beginning on or after January 1, 2012 (e.g., December 31, 2012, for a calendar year plan).

CL 12-09 extends the period to amend a Puerto Rico tax qualified plan (either PR-Only or Dual-Qualified Plans) for compliance with the 2011-PR Code until the later of:

- (i) June 30, 2013, or
- (ii) the last day of the first plan year beginning on or after January 1, 2012 (e.g., October 31, 2013 for plan with a plan year beginning on November 1, 2012).

In addition, CL 12-09 also extends the period to submit a request for retroactive qualification under the Puerto Rico Internal Revenue Code of 1994, as amended, for both PR-Only or Dual-Qualified Plans, until the later of:

- (i) September 30, 2013, or
- (ii) the deadline to file the income tax return of the employer for the first taxable year commencing after December 31, 2011.

Notwithstanding the foregoing, it is important to note that retirement plans intended to be Puerto Rico tax qualified must have been operated in compliance with the provisions of the Puerto Rico Internal Revenue Code of 1994, as amended, in plan years beginning before January 1, 2011, and must continue to be operated in compliance with the 2011-PR Code in plan years beginning on or after January 1, 2011.

Attached is a PDF copy of CL 12-09 in Spanish is available at:
<http://www.hacienda.gobierno.pr/downloads/pdf/cartas/12-09.pdf>.