

Commonwealth of Puerto Rico  
 Department of Economic Development and Commerce  
 Office of Industrial Tax Exemption  
 355 Franklin D. Roosevelt  
 Hato Rey, PR 00918

Tax Incentives Application

- Economic Incentives for the Development of Puerto Rico Act (Act No. 73 of May 28, 2008)*  
 *Green Energy Incentives of Puerto Rico (Act No. 83 of July 19, 2010)*

Case No. \_\_\_\_\_

Tax Incentive Grant:     New     Renegotiation     Other (Please Specify) \_\_\_\_\_

**Section I. Applicant's General Information**

**A. Applicant's Information<sup>1</sup>**

Legal Name of Entity \_\_\_\_\_  
 Physical Address \_\_\_\_\_  
 Mailing Address \_\_\_\_\_  
 Telephone No. \_\_\_\_\_ Fax No. \_\_\_\_\_  
 Electronic Mail \_\_\_\_\_  
 Employer's Identification Number \_\_\_\_\_  
 Type of Organization     Corporation     LLC     Partnership     Other \_\_\_\_\_  
 Residency                 Domestic (PR)                 Domestic (US)     Foreign (non-US)  
 Registration Number \_\_\_\_\_ Date of Registration \_\_\_\_\_  
 Organized under the laws of \_\_\_\_\_  
 NAICS<sup>2</sup> Classification(s) \_\_\_\_\_

**B. Applicant's Representative**

Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Physical Address \_\_\_\_\_  
 Mailing Address \_\_\_\_\_  
 Telephone No. \_\_\_\_\_ Fax No. \_\_\_\_\_  
 Email Address \_\_\_\_\_

**C. Name of Parent Company, if applicable. Please include organizational chart containing intermediate or related entities)**

Physical Address \_\_\_\_\_  
 Mailing Address \_\_\_\_\_  
 Telephone No. \_\_\_\_\_ Fax No. \_\_\_\_\_  
 Web Page \_\_\_\_\_ Email Address \_\_\_\_\_

**D. Principal Stockholder's Information**

Name	Social Security or Employer ID Number	Address	Participation (%)

If the Applicant is part of a corporate group, please include organizational chart containing related entities.

**E. Has the Applicant and/or any of its direct or indirect shareholders been subject to any investigation by, or subject to any payment plans with, the Department of Treasury?**                 Yes     No

<sup>1</sup> Provide for each legal entity requesting incentives under the Act.

<sup>2</sup> North American Industry Classification System. Find your code here: <http://www.census.gov/eos/www/naics/>.

If the response is in the affirmative, please provide a brief explanation of the reasons for the investigation, and its current status or eventual result:

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F. Provide the applicable documents specified in Annex A to this Application.

G. If this Application is for a Renegotiation, please provide the information required under Section 13(b)(1)(A) of the Act as an attachment to this Application.

**Section II. Information on Applicant’s Proposed Exempted Business**

- A. Business Type:       Manufacturing  
 Manufacturing Support Services  
 Strategic Projects  
 Other (Please Specify) \_\_\_\_\_

B. Applicable Sections under the Act

1. Specify Section(s) of the Act under which tax incentives are requested \_\_\_\_\_

2. Specify Section(s) of the Act under which the special tax rate is requested \_\_\_\_\_

C. Provide a description of each of the proposed Exempted Businesses to be conducted in accordance with the Act.

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D. Business classification:       New       Expansion       Reopening

E. List of Products, Services or Activities for which the Tax Incentives are requested:

Product, Service or Activity	Current		12-Month Projection		NAICS <sup>3</sup>
	Units/Year	Sales Value	Units/Year	Sales Value	

F. Description of manufacturing process of products, services, or activities to be performed by Applicant. Include final use of product or service. (Provide attachment if necessary).

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G. Employees and Payroll

Classification	Current		12-Month Projection	
	Amount	Payroll	Amount	Payroll
Production/ Service				
Supervision				
Administration				

<sup>3</sup> North American Industry Classification System. Find your code here: <http://www.census.gov/eos/www/naics/>.



Building Value \$ <input type="checkbox"/> Owned <input type="checkbox"/> To be Purchased <input type="checkbox"/> Other (Government or Municipality)		
Annual Rent \$		
Date <input type="checkbox"/> Acquisition <input type="checkbox"/> Lease		

L. Additional Incentives – Has the Applicant received, or applied for, any other incentive from governmental or municipal agencies?  Yes  No If the response is in the affirmative, please provide details and status of such incentive(s):

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M. Free Trade Zone Classification

Does the Applicant plan to apply, or is under, a Free Trade Zone classification?  Yes  No If the response is in the affirmative, specify the proposed business and employment amount under the Free Trade Zone.

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**Section III. Information on Applicant’s Existing or Prior Puerto Rico Business(es)**

A. Specify whether Applicant is presently performing in Puerto Rico the activities subject of this Application:  
 Yes  No If the response is in the affirmative, please provide the following information:

1. Date of Commencement of Operations \_\_\_\_\_
2. Physical address \_\_\_\_\_
3. Financial information for the last three fiscal years:

	Year _____	Year _____	Year _____
Net Income			
Income Tax Payments			

B. Provide the following information if the Applicant has previously obtained a tax incentives grant:

Is it effective?  Yes  No Tax Exemption Grant No. \_\_\_\_\_  
Date of Commencement of Operations \_\_\_\_\_ Employment Requirement \_\_\_\_\_  
Employment at Commencement of Operations \_\_\_\_\_ Current employment \_\_\_\_\_

C. Predecessor Exempted Business Information<sup>5</sup>

1. Specify whether Applicant’s principal shareholders or partners are related to exempted businesses or non-exempted businesses in Puerto Rico:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Specify whether Applicant has or has had any proprietary interest in the amount of 25% or more in any enterprise in Puerto Rico which is, has been tax exempt, or is in the process of acquiring a tax incentives grant.  Yes  No. If the response is in the affirmative, provide an explanation, including name of business, case number, and products or services covered.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Specify whether Applicant accepts the applicability of Section 16 of the Act with respect to any or all of the products included in the tax exempt operations referred to above.  Yes  No.

If the response is affirmative, submit the following information with respect to the last three fiscal years ending with the close of the taxable year preceding the filing of this Application.

<sup>5</sup> If there is more than one predecessor exempted business, include attachment with the corresponding information.

	Year	Year	Year
Average annual production			
Average annual production employment			
Total annual man hours for workers of the exempted business			
Number of units produced annually or services rendered			
Annual sales value (billed) for said units			

4. If Applicant does not accept the applicability of Section 16 of the Act, submit supporting data, or any other evidence supporting that the products or services are not substantially similar.

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**Section IV: For Informational Purposes Only**

- A. Educational level of employees and numbers required:

Education	Current	12-Month Projection
High school		
Associate's degree		
Undergraduate		
Graduate		
PhD		

- B. Are the Applicant's operations related to, or will be related to scientific research and development?  
 Yes  No If the response is in the affirmative, provide the following information:

Specialization	Current		12-Month Projection	
	Amount of employees	Payroll	Amount of employees	Payroll
Total				

- C. Principal marketing outlets for products or services to be rendered:

Product	Purchaser		City/ Country	Export %
	Parent Company	Their Party (name)		

This Application must be signed by an authorized officer of the Applicant. All the information submitted in this Application is subject to verification, and additional information may be requested as needed for its consideration. The submission of false information in this Application will be grounds for denying the granting of a decree and Applicant may be civil and criminally liable in accordance with applicable statutes.

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Authorized Signature

SWORN STATEMENT

I, \_\_\_\_\_, of legal age, \_\_\_\_\_, and resident of \_\_\_\_\_ under the most solemn and binding oath, under penalty of perjury, hereby declare that:

- 1. such are my personal circumstances;
- 2. my official title is \_\_\_\_\_ ;
- 3. I have been authorized by the Applicant to complete this Application;
- 4. I have read the foregoing Application and attachments and that the statements contained herein are true to the best of my personal knowledge and belief.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

AFFIDAVIT NUMBER: \_\_\_\_\_

Sworn and subscribed before me by \_\_\_\_\_, of the personal circumstances stated above to me personally known.

On the \_\_\_ day of \_\_\_\_\_ of \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

Notes:

- a. The Application must be sworn by an Officer of the Applicant, authorized by Corporate Resolution.
- b. If this document is notarized outside of Puerto Rico, include evidence regarding the authority of the notary to administer oaths (e.g., county clerk’s certificate or similar document).

PUBLIC NOTICE

Office of Industrial Tax Exemption

Case No. \_\_\_\_\_

The general public is hereby notified that

\_\_\_\_\_

has filed a Tax Incentives Application in the Office of Industrial Tax Exemption, located at 355 Franklin D. Roosevelt Avenue, PRIDCO Building, Hato Rey, Puerto Rico, under Act No. 73 of May 28, 2008, for \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Business address: \_\_\_\_\_  
Representative: \_\_\_\_\_  
Principal shareholders: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any person, natural or legal, that opposes this Application, shall have an administrative hearing to be appointed at the Office of Industrial Tax Exemption, provided a written opposition statement (duly sworn and notarized) is previously filed within ten (10) working days, beginning on the publication date of this notice.

\_\_\_\_\_  
Director

## Annex A

Requirement Number		Tax Exemption	Amendments for transfers with and without control	Renegotiations of decree (Sections 13(b)(1) and 16 (b)(3) of the Act	Mergers or Consolidation of Corporations	Amendment to add products or services	Other Amendments
	<b>Documents (Original and Four (4) copies of each)</b>						
1	Original petition, completed with sworn statement.	X		X			
2	Two bank or commercial references addressed to the Director of the Office of Industrial Tax Exemption.	X					
3	Original financial statements from the petitioner corresponding to the last three (3) years (natural o fiscal) certified by a certified public accountant or sworn before a notary public.	X		X			
4	For Corporations- Copy of the Certificate of Registration expedited by the Puerto Rico State Department that authorizes the petitioner to do business in Puerto Rico.	X					
5	Certificate of Good Standing expedited by the Puerto Rico State Department.	X		X			
6	Original Public Notice.	X		X		X	
7	Certificate from the Department of the Treasury of the filing of Income Tax Returns, for the Applicant or shareholders	X		X		X	
8	Negative certification of debt from the Collection Bureau of the Department of the Treasury for the petitioner, partners and stockholders.	X	X	X		X	
9	If the petitioner has a payment plan with the Department of the Treasury, submit the correspondent certification from this Department.	X	X	X		X	
10	Debt Certification from the Center of Municipal Income Collection "(CRIM) ".	X	X	X		X	
11	Cahuffers Social Security Debt Certification and Unemployment and Disability Debt Certification from the Department of Labor and Human Resources	X	X	X		X	
12	Certificate of debt from the State Insurance Fund.	X	X	X		X	
13	Merchants Registration Certificate for the Sales and Use Tax Revenues (IVU)	X		X			
14	Negative certification from the Department of the Treasury for the Sales and Use Tax Revenues (IVU)	X					
15	Corporate Resolution of merger, fusion or consolidation.				X		
16	Copies of the approved documents from the Puerto Rico State Department. (requirement num. 15)				X		
17	Sworn statement with details of the transaction.		X		X	X	X

## Derechos de Radicación<sup>6</sup>

Los Derechos de Radicación serán pagados únicamente mediante Cheque Certificado, Cheque de Gerente o Giro Postal a favor del Secretario de Hacienda. NO SE ACEPTAN COMPROBANTES.

1	Casos Nuevos	\$750.00
2	Casos Renegociados, Consolidaciones, Dispensas y Exención Adicional <sup>7</sup>	\$4,500.00
3	Revocaciones	\$100.00
4	Oposiciones	\$500.00
5	Enmiendas	\$450.00
6	Transferencia de Control No Afiliadas	\$4,500.00
7	Transferencia de Acciones Sin Cambio en Control	\$450.00
8	Transferencia de Acciones entre Compañías Relacionadas	\$750.00
9	Solicitudes bajo secciones 3(f), 6(f), y 10(b)	\$50.00
10	Conversiones	\$500.00
11	Extensiones	\$4,500.00
12	Casos 16(b)(3)	\$4,500.00
13	Informes Anuales	\$300.00
14	Informe de Actividad Novedosa Pionera	\$0.00
15	Radificación o expedición de cualquier certificado, declaración jurada o cualquier documento para el cual no se fije derechos distintos expresamente.	\$50.00

<sup>6</sup> Los Derechos de Radicación están sujetos a revisión. Revisado el 8 de septiembre de 2009

<sup>7</sup> Para realizar el trámite el Concesionario deberá estar al día en la radicación de sus informes anuales.