

# Tax update: New Sales and Use Tax Return

Finally, the Annual Sales and Use Tax Return was released by the Puerto Rico Treasury Department. After two years of postponing the preparation of this return, the first filing is due on **March 15, 2009**, applicable to taxable years ended on December 31, 2008. It is important to mention, that the requirement to file this return applies to taxable years that commenced after December, 31, 2007. The form name is “Planilla Informativa Anual del Impuesto sobre Ventas y Uso”, form SC 2935. The filing due date is the fifteenth day of the third month after the closing of the merchant’s taxable year.

On February 6, 2009, the Designated Secretary of the Treasury (“Secretary”) issued Informative Bulletin No. 09-02 (“IB”), indicating that every merchant duly registered and doing business in the Commonwealth of Puerto Rico was required to file the annual return. Regulation #7392 indicated that this return was applicable only to merchants that were not required to file one or more of the monthly sales and use tax returns. This means that the annual return

was applicable only to merchants with a Certificate of Registry color red. However, Section 2603 of the Puerto Rico Internal Revenue Code of 1994, as amended, indicates that **every merchant** has to file this annual return. In order to clarify this issue the Secretary released the IB.

Basically, the Form asks for the same type of information included in the monthly Sales and Use Tax Return, the only difference is that the amounts that should be included are in an annual basis. If the merchant was required to file the monthly sales and use tax return electronically, then the annual return should be filed the same way.

Should you have any questions or comments, please do not hesitate to contact personnel in our Tax Department at **787-754-1915**.

