

TaxNewsFlash

United States



No. 2022-286
September 29, 2022

Puerto Rico: Tax-related hurricane relief

The Puerto Rico Treasury Department (PRTD) on September 27, 2022, issued Administrative Determination No. 22-08 (AD 22-08) to provide relief to taxpayers and their authorized representative in response to the aftermath of Hurricane Fiona.

Some of the relief provisions include the postponement of income tax return due dates and payments, extension of August 2022's sales and use tax return payments, extension of bonds and internal revenue license terms, cancellation of tax liens and their notices, and other tax matters.

Key elements of AD 22-08 concern:

- The PRTD will award automatically through the Unified Internal Revenue System (*Sistema Unificado de Rentas Internas* or SURI) to all duly registered resellers an exemption certificate that will allow such resellers—during the temporary exempted period from October 1, 2022, until October 31, 2022—to acquire inventory for resale without having to pay the corresponding sales and use tax on the import or local purchase of said inventory.
- Extension of the payment due date for August 2022's sales and use tax return until October 20, 2022. Read [TaxNewsFlash](#)
- Postponement of due dates and payments until December 15, 2022, for all 2021 income tax returns (including individuals, corporations, partnerships, and other legal entities) due between September 30, 2022, and December 15, 2022.
- Six-month postponement until June 15, 2023, for all income tax returns with an original due date between September 30, 2022, and December 15, 2022.
- Postponement of the second installment payment of the income tax determined in the 2021 individual tax returns until December 15, 2022.
- All bonds and internal revenue licenses that expire between September 19, 2022, and before November 18, 2022, are automatically extended until November 18, 2022.
- The terms to respond to mathematical errors and adjustments notifications that expire between September 19, 2022, and before November 18, 2022, are automatically extended until November 18, 2022.

© 2022 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

- All new notices of collections and tax liens will cease until November 18, 2022, and all those tax liens that were issued that have not expired 30 days from their notification are canceled.
- Taxpayers affected economically by Hurricane Fiona that are under a tax payment plan with the PRTD until September 19, 2022, can request a new tax payment plan before December 31, 2022, and can request to submit the first payment installment on or before 45 days after the establishment of the new tax payment plan.
- The time period under which the disaster special distributions under retirement plans and IRA accounts will be allowed will begin October 6, 2022, through December 31, 2022.
 - The PRTD issued Circular Letter of Internal Revenue 22-13 with instructions that must be followed to obtain the special distribution benefit.
- All qualified payments and loans to cover employee's emergency expenses made between September 19, 2022, until December 31, 2022, by an employer to an employee or independent contractor are excluded from gross income recognition. Thus, the employer will be able to deduct such qualified payments if it complies with the notification and the informative return filing of such payments made.
- The PRTD will extend until November 18, 2022, the due date of any administrative procedure that cannot be handled through SURI that were due between September 19, 2022, through November 17, 2022, including ruling requests, debt administrative revision letters, change of accounting method requests, and change of tax year requests. All other administrative complaints and any term for the presentation of information or documents required by the PRTD's Office of Administrative Appeals whose filing date expires during the period of September 19, and before October 18, 2022, are extended until October 18, 2022.

For more information, contact a KPMG tax professional in Puerto Rico:

Carlos A. Molina | cmolina@kpmg.com

Cecilia C. Colón Ouslán | ccolonouslan@kpmg.com

kpmg.com/socialmedia



The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy | Legal](#)