



Tax



Business



Employer

Employee Retention Benefit deadline has been extended

January 18, 2019

After several internal communications, between the Puerto Rico Treasury Department and the United States Treasury Department, they have agreed to amend the Employee Retention Tax Credit Implementation Plan in order to extend the deadlines to: (i) request the Employee Retention Benefit for employers affected by Hurricanes Irma and María (“the benefit”), and (ii) to file any related claims.

Herein are prior communications issued by the Puerto Rico Treasury Department regarding this matter:

1. on June 8, 2018, the Puerto Rico Treasury Department issued Internal Revenue Circular Letter 18-11 establishing the procedures to be followed by every eligible employer in Puerto Rico to request the Benefit not later than December 31, 2018.
2. on December 28, 2018, the Puerto Rico Treasury Department issued Internal Revenue Circular Letter 18-20 granting every eligible employer that filed an application on or before December 31, 2018, the opportunity to file a claim not later than February 28, 2019.

On January 11, 2019, the Puerto Rico Treasury Department issued Internal Revenue Informative Bulletin 19-01 notifying an extension of time until March 31, 2019 to request the benefit and until April 30, 2019 to file any related claims. In the cases where a claim is filed, the eligible employer must have requested the benefit not later than March 31, 2019.

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In Kevane Grant Thornton, we can assist you with this process, as well as to identify several facts and circumstances to maximize the opportunity of claiming the benefit, should it be the case. Please remember that this is a “cash” benefit for those employers that continued paying salaries to employees while the business was “inoperable”.

Please contact our Tax Department should you require additional information regarding this or any other tax issue. We will be glad to assist you.



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