



Tax



Business



Taxpayer

Postponement to filing of 2019 Annual Report and amnesty period

October 29, 2020

During last months, Puerto Rico Department of State (“DOS”) has issued the following Administrative Orders related to the 2019 annual reports:

- on April 13, 2020, DOS issued Administrative Order 2020-02 with the purpose of extending the filing of 2019 annual report from April 15, 2020 until July 15, 2020 without the need to request an extension.
- Administrative Order 2020-05 issued on July 1, 2020 postponed the period to request an extension until July 31, 2020 and through the filing of an additional extension and corresponding \$30 fee, extended filing of final annual report until August 17, 2020
- subsequently, DOS issued Administrative Order 2020-08, which extended the due date to file the 2019 annual reports further, until October 31, 2020.

Due to circumstances that Puerto Rico has gone through the last seven months, conditions and limitations caused by COVID-19, DOS issued Administrative Order 2020-09 (“AO 20-09”, “this Order”) to postpone filing of the annual report until January 15, 2021. This additional time to file the annual report for the taxable year 2019 applies to:

- entities that have already requested first and additional extensions and paid the corresponding fees.
- corporations that did not request additional extension but request it, and pay the \$30.00 fee on or before November 6, 2020.
- corporations that did not request first and additional extension but request both extensions on or before November 6, 2020.

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In addition, AO 20-09 establishes an amnesty for late filing penalties for active corporations and limited liabilities companies. The following are the conditions and benefits granted under this amnesty:

- the abatement of penalties that had been imposed for late filing for periods prior 2019.
- amnesty period: November 6, 2020 to December 31, 2020.
- for those entities that are currently under a payment plan, this amnesty is applicable as long as the amount paid in the plan covers basic filing fees for annual reports in the case of corporation and annual fees in the case of Limited Liability Companies.

We are committed to keeping you up to date with all tax-related developments. Please contact our Tax Department should additional information be required regarding this or any other tax issue. We will be glad to assist you.



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