

As Puerto Rico writes a new chapter in its economic transformation, on July 1, 2019 the local government enacted the Puerto Rico Incentives Code.

**Act 60** compiles all current tax incentives laws into a single code to promote the environment, opportunities, and tools needed to create sustainable development on the Island.

## What's new?

Previously, Puerto Rico offered a menu of laws and incentives programs.

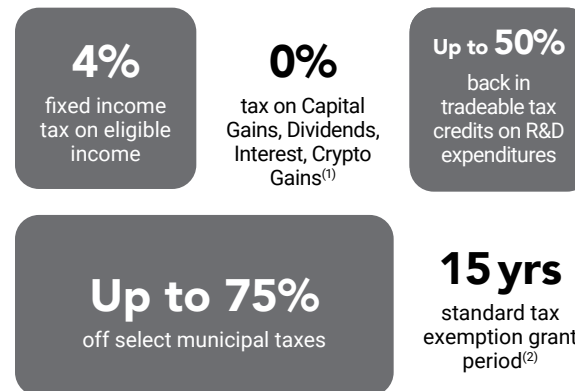
The new Act 60 changes the game by:

- Consolidating all previous laws and incentives programs under one law
- Harmonizing tax rates through industries, to provide tax benefits that apply to all sectors
- Classifying the incentives by strategic sectors and economic activities
- Consolidating and simplifying the processes needed to obtain the incentives
- Establishing the legal and administrative frameworks that will govern the request, evaluation, and approval of incentives
- Continuously measuring the costs and benefits of the incentives
- Strengthening the compliance with and the auditing of the incentives
- Improving Puerto Rico's economic competitiveness

## Highlights

- Creation of the Office of Incentives for Businesses in Puerto Rico (OIBPR), housed in the Department of Economic Development and Commerce
- Creation of the **Single Business Portal** "SBP", an online tool to apply for permits & incentives
- Incorporation of an incentive for Difficult to Recruit Professionals
- Establishment of additional benefits for small and medium size businesses and businesses in the Puerto Rican islands of Vieques and Culebra
- Maximization of the Opportunity Zones program (over 95% of the island qualifies)

## What's in it for you?



+ Additional incentives for small & medium-sized businesses and businesses in Vieques and Culebra

(1)From Securities and Digital Assets –Eligible Investments– and Capital gains and other investment income sourced to Puerto Rico not subject to federal income taxes.

(2)Subject to renegotiation for an additional 15 years.

## Who's eligible for Act 60?

The incentive program was designed to support growth in the following sectors and economic activities:

- Individuals
- Export of Services and Goods
- Financial and Insurance Services
- Manufacturing, including R&D
- Visitor Economy
- Infrastructure & Green Energy
- Agriculture
- Creative Industries
- Entrepreneurship and others

## How do I sign up?

The business and/or individual must submit an application through the **Single Business Portal**. Upon approval, they are granted a tax exemption decree which provides full details of tax rates and conditions mandated by the Law. This decree stands as a contract between the grantee and the Government of Puerto Rico.

## Let's get to work!

As the Island's public-private partnership for economic development, InvestPR is committed to helping you make the most of your Puerto Rico experience. Let's get in touch and get the conversation – and business – started.

Visit [investpr.org/contact-us](https://investpr.org/contact-us) to contact us or send an email to [info@investpr.org](mailto:info@investpr.org).