



Application for Tax Exemption under Section
1101.01 of the Internal Revenue Code for a New Puerto Rico

You must submit a payment of \$300 or \$400 with this application. If the information and documents required are not submitted with the payment, the application will not be processed.

Part I - General Information

Complete name of the organization (as registered in the official document that creates it)

Employer Identification Number

Postal Address (PO Box, City, Country, Zip Code)

Physical Address (Urbanization or Condominium, Number, Street, City, Country, Zip Code)

Name, postal address and telephone number of the person to contact if additional information is needed (Submit copy of the Power and Declaration of Representation, Form AS 2745-A)

Accounting Period

Date incorporated or organized

Date operations began

Registration Number

Indicate character of organization (i.e. charitable, educative, business leagues, civic leagues, social club, etc.)

1. Has the organization previously requested an exemption under this section or under any other section of the Puerto Rico Internal Revenue Code of 1994, as amended, or the Puerto Rico Income Tax Act of 1954, as amended? If the answer is yes, explain:

2. Does the organization enjoy tax exemption under the Federal Internal Revenue Code?
If the answer is yes, include a copy of such opinion.

3. Have you filed an income tax return or the Informative Return for Income Tax Exempt Organizations?
Indicate the years

4. Indicate in the corresponding check box the type of organization and include the required documents.

a. Corporation

Certificate of Incorporation (including amendments), Registration Certificate and Good Standing Certificate issued by the State Department (if incorporated more than 2 years ago), corporate by-laws and the Merchant's Registration Certificate.

If it is not registered under the Puerto Rico General Corporation Law:

b. Trust

Notarized Deed of Constitution.

c. Association

Articles of Association, Constitution or legal document by which the organization was created and the by-laws.

YES

NO

Retention: Fifty (50) years.

Name _____

Part II - Information Concerning Activities and Operations	
	YESNO
1. Describe in detail your past and current activities as well as the activities planned for the future (Do not quote from the Articles of Incorporation). Describe each activity separately in order of importance. Indicate its purpose, when it began or will begin, who and where it will be realized. Submit shedule, if necessary. _____ _____ _____ _____	
2. Indicate the organization's source or sources of income. _____ _____	
3. Describe the programs of activities to collect funds, if any, and the way they will be done. _____ _____	
4. Indicate how income and surplus, if any, are used. _____ _____	
5. Does the organization provide any kind of insurance plan to its members, employees, partners or executives, their dependents or other persons (include payments of benefits from sickness or death, pensions or annuities)? If the answer is yes, explain the eligibility requirements and include as an example, a copy of each insurance plan issued and of each plan. _____ _____ _____	
6. Is the organization under the supervision of any governmental agency such as the Department of Family Affairs or the Department of Health? If the answer is yes, include copy of all administrative opinions, judicial determinations, etc. _____ _____ _____ _____ _____ _____	
7. Does the organization spend or plan to spend money to influence judicial determinations subject to legislation in its favor, or in favor of some of its employees, any member of its Board of Directors, etc.? If the answer is yes, explain how the recipients or beneficiaries are, or will be benefited. _____ _____	
8. Has the organization issued any booklets, letters, magazines, informative bulletins or any similar material? ... If the answer is yes, include copies. _____ _____	
9. What percent (%) of the net income is distributed to the benefit of any member of the board of directors, partner or individual at the end of the taxable year? _____	

Name _____

	YES	NO
10. Indicate the average annual gross income derived during the 4 taxable years prior to submitting this application. (Include financial statements). In the case of entities that have not begun to operate at the moment of requesting the exemption, include a forecasted income statement for your first 4 years of operations. _____ _____		
11. Submit the following information concerning the board of directors, which must be composed of at least 3 persons and meet the requirements provided by Section 1110.01(d)(2) of the Code. a. Name, address, social security number and titles of the entity's officials. Submit schedule, if necessary. _____ _____		
12. Annual compensation, salary or wage assigned to the members of the board of directors, administrative officers, fiduciaries, etc. Submit schedule, if necessary. _____		
13. Is the organization controlled or does it control any other corporation? If the answer is yes, indicate its name. _____ _____		
14. Does the organization respond financially to any other organization? If the answer is yes, explain and indicate the other organization's name. Include copy of the reports submitted to the other organization. _____ _____		
15. Is the organization rendering services to other organization and collecting any fees in exchange, or viceversa?..... If the answer is yes, explain: _____		
16. Detail the organization's assets used in its nonprofit operations. If you own other assets used in operations not subject to the provisions of Section 1101.01 of the Code, submit detail and explain how they are used. _____ _____		
17. Indicate the disposition of the assets in case of dissolution of the organization. _____ _____		
18. Are any of the organization's property or its operations managed or will be managed by other organization or person under a lease agreement? If the answer is yes, explain the relation between the parties and submit copy of the contract. _____ _____		
19. Indicate if the operations carried out by the organization were carried out by a for-profit corporation or by an individual If your answer is yes, indicate the legal and commercial name under which they operated. _____		
20. Is your organization a membership institution? If your answer is yes: a. Describe the membership requirements, cost of annual fee, how fees are determined and which are the rights and obligations of the members. _____ _____ b. Indicate the benefits received by the members in exchange for fees paid. _____ _____		

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Name _____

	YES	NO
21. Does the organization provide services or products?		
If the answer is yes:		
a. Do the recipients of these services or products have to pay for them?		
b. Explain how the payment is determined, if any		
c. Are the services or products offered by your organization available only to certain individuals or type of individuals?		
22. Does the organization participate in political campaigns, including the publication or distribution of proposals?		
If the answer is yes, explain thoroughly.		

23. Do you have employees that receive salaries or wages?		
If the answer is yes, indicate if you complied with the following:		
a. Did you make the withholding of tax at source on wages paid?		
b. Did you file the Withholding Statements, the Employer's Quarterly Returns of Income Tax Withheld and the Reconciliation Statement of Income Tax Withheld?		
24. Do you have persons under service contracts?		
If your answer is yes, indicate if you complied with the following:		
a. Have you made the 7% withholding at source on payments for services rendered, as provided by Section 1062.03 of the Code?		
b. Did you file the Informative Returns?		
c. Have you made any withholding at source to any nonresident not engaged in trade or business in Puerto Rico?		
25. Is the organization under an investigation by the Department of the Treasury or other Governmental Agency of Puerto Rico?		
If the answer is yes, indicate the Agency and the aspects that are subject of controversy in the investigation.		

I, _____, hereby declare today _____ under penalty of perjury, that I am authorized to sign this application on behalf of _____, that such application and documents included have been examined by me, and to the best of my knowledge and belief they are true, correct and complete.

Signature

Title

Date

This form and the required documents should be filed at the Assistant Secretary for Internal Revenue Office (Office 620), Intendente Alejandro Ramírez Building, 10 Paseo Covadonga, San Juan or by mail to the DEPARTMENT OF THE TREASURY, ASSISTANT SECRETARY FOR INTERNAL REVENUE, PO BOX 9024140 SAN JUAN PR 00902-4140.

SERVICE FEE FOR TAX EXEMPTION APPLICATIONS
SUBMITTED TO THE DEPARTMENT OF THE TREASURY
UNDER SECTION 1101.01 OF THE
INTERNAL REVENUE CODE FOR A NEW PUERTO RICO

According to the provisions of Act No. 15 of July 20, 1990 and Regulation 6103 to Impose Service Charges for Applications Submitted to the Department of the Treasury, approved on February 25, 2000, EVERY application for tax exemption must include the following fee. Such fee must be paid in check or money order, payable to the Secretary of the Treasury.

- a. Initial request for qualification of an organization which average gross income during the preceding 4 years, **had not exceeded \$50,000**, or new organizations which anticipated average gross income not exceeding \$50,000 during its first 4 years, **the fee must be \$300.00**.
- b. Initial request for qualification of an entity organized to provide financial assistance or scholarships for educational purposes, **the fee must be \$300.00**.
- c. Initial request for qualification of an organization not covered under the above letter b, which actual or estimated average gross income **exceeds \$50,000** annually, **the fee must be \$ 400.00**.
- d. The institutions organized exclusively for religious purposes are not subject to the service fee previously mentioned.

Applications that do not include all the information required in this Form, will be subject to **an additional charge of \$150.00** that must be paid at the moment of submitting the additional information.