



COMMONWEALTH OF PUERTO RICO
DEPARTMENT OF THE TREASURY
VALUE ADDED TAX MONTHLY RETURN
(Electronically Filed)

PERIOD (MONTH/YEAR)

MONTH YEAR

Amended Return

MERCHANT'S REGISTRATION NUMBER

Registration number input fields

NAME OF MERCHANT OR RETAILER

Name of merchant or retailer input field

SOCIAL SECURITY OR EMPLOYER IDENTIFICATION NUMBER

Social security or employer identification number input field

CONFIRMATION NUMBER

Confirmation number input field

TRANSACTIONS

GROSS VALUE ADDED TAX

A. Taxable Sales

1. Sale of taxable goods
2. Sale of taxable services
3. Taxable admissions
4. Total of Taxable Transactions

16. Total taxable transactions subject to 10.5% VAT
17. Gross value added tax at 10.5%
18. Gross value added tax for preexisting contracts
19. Total Gross Value Added Tax

B. Exempt Transactions

5. Sale of exempt goods
6. Sale of taxable goods to exempt persons
7. Sale of exempt services
8. Exempt admissions
9. Total Exempt Sales

CREDITS AND ADJUSTMENTS
20. Credit for VAT paid
21. Sales adjustments
22. Purchase adjustments
23. Reconciliation adjustment for direct credit
24. Reconciliation adjustment for indirect credit
25. Credit for foreign VAT paid
26. Total Credits and Adjustments
27. TOTAL VAT PAYABLE / (OVERPAID)

C. Zero-Rated Sales

10. Sale of goods subject to zero rate
11. Export services subject to zero rate
12. Total Sales Subject to Zero Rate

D. Preexisting Contracts for Construction Projects

13. Sales of goods and services under pre-existing contracts
14. TOTAL SALES

E. Items Subject to Reverse Charge

15. Items subject to reverse charge

TOTAL AMOUNT DUE / OVERPAID
28. Prior month overpayments
29. Deposits made during the period
30. Balance of tax due / (overpaid)

Type of account:

Commercial Individual Checking Individual Savings

AUTHORIZATION FOR AUTOMATIC DEBIT

Routing / transit number

Account number

Routing and account number input fields

Payment method ACH credit

Payment method ACH credit input field

I hereby declare under the penalty of perjury that the information provided on this return is true, correct and complete and has been examined by me. Also, I authorize the Secretary of the Treasury to debit the indicated account for the amount shown on line 30 of this return, corresponding to the value added tax determined in the return. I also promise to pay any charge resulting from the insufficiency of funds in said account.

DATE AND HOUR OF TRANSMISSION OF RETURN AND PAYMENT

**FORM AS 2915.1 G  
VALUE ADDED TAX MONTHLY RETURN  
INSTRUCTIONS****IMPORTANT NOTICE**

Beginning on June 1, 2016, all merchants doing business in Puerto Rico, or with Puerto Rico nexus, are required to collect and remit to the Department of Treasury (the "Department") a 10.5% value added tax ("VAT") over all their taxable sales of goods and services in Puerto Rico pursuant to Subtitle DD of the Puerto Rico Internal Revenue Code of 2011, as amended (the "Code"). Merchants are required to use this monthly return to remit to the Department the 10.5% of VAT collected on the taxable transactions.

Additionally, merchants will continue with the responsibility of collecting and remitting the 1% sales and use tax (SUT) over taxable goods and services at the municipal level, as required by Subtitle D of the Code. The 1% SUT will be remitted using the official forms provided by the municipality where the merchant is doing business. Nevertheless, merchants who are required to collect and pay the SUT according to Sections 4020.04, 4020.05 and 4041.02 of the Code, who do not have a commercial location in Puerto Rico or is considered a multi-level marketer, must remit the 1% SUT to the Municipal Finance Corporation ("COFIM" for its Spanish acronym).

**MERCHANTS WHO DO NOT HAVE A COMMERCIAL LOCATION IN PUERTO RICO OR MULTILEVEL BUSINESSES**

Sales made by a merchant who, for any reason, has nexus with Puerto Rico will be responsible to collect and remit VAT to the Department. In this case, the merchant will be considered to have nexus due to any of the following: carrying out activities related to direct marketing or purchases by mail, radio, distribution of unsolicited catalogs, through computers, television or any other electronic means, or advertisements in magazines or newspapers, or other mean; the existence of an agreement or reciprocity with the jurisdiction of origin; or having created sufficient connection or relationship with Puerto Rico or its residents of any kind with the purpose or objective to create sufficient nexus with Puerto Rico in order to impose upon the merchant the responsibility of collecting the VAT.

Multilevel businesses which do not have commercial locations in Puerto Rico, must report on this return the total goods sold during the period, based on the suggested sales price, as reflected in the catalogs, price lists or any other document in which the multilevel business establishes the prices of such items in Puerto Rico.

Merchants who do not have a commercial location in Puerto Rico or multilevel businesses should report their sales on the corresponding lines of this return and attribute their sales to their principal location, whether within or without Puerto Rico. Also, merchants who do not have a commercial location in Puerto Rico or multilevel businesses are required to collect and pay the 1% municipal SUT to COFIM.

**PREEXISTING CONTRACTS AND AUCTIONS**

Pursuant to Section 4180.02 of the Code, sales of goods and services covered by contracts and public government auctions described under Section 4070.01(c) and (d) of the Code will be subject to VAT at the same rate applicable to SUT under such section. This special rate will be applicable during the remaining period of time of the special rate granted.

According to Section 4070.01(c) and (d) of the Code, building projects of commercial, industrial or residential works that have started as of May 31, 2015 (Construction Projects) and those sales of taxable items covered by contracts and auctions that were granted or awarded before July 1, 2015, will be subject to the SUT rate applicable to such taxable item as of June 30, 2015, for a period no longer than twelve (12) months or the term of the contract, whichever is shorter. In these cases, the merchants will collect the 7% SUT in all of Puerto Rico's municipalities, of which they will remit 6% to the Department and 1% to the municipality where their business is located.

For the details in connection to the requirements for the contract or auction, including Construction Projects, to be considered a preexisting contract or auction as of July 1, 2015 and for information regarding the procedure that the merchant must have followed to qualify the contract, refer to Tax Policy Circular Letters No. 15-09, 15-10 and 15-11.

However, contracts related to Construction Projects may request an extension of the contract's qualification for an additional period, not exceeding twelve (12) months or the term of the contract, whichever is shorter, or, in the case of construction projects related to tourism or hospital units, for the term of the construction. The merchant should follow the procedure stated by the Secretary to request the extension of time.

Regarding the return for June 2016 period, merchants should continue to report sales under preexisting contracts and auctions in Form AS 2915.1 E "Sales and Use Tax Monthly Return – Applicable to Preexisting Contracts and Auctions". For all periods commencing after June 2016, merchants should report all sales under preexisting contracts related to Construction Projects using this return.

**WHO SHALL FILE THIS RETURN?**

Any merchant engaged in the business of selling taxable items and/or providing a service in the Commonwealth of Puerto Rico will be required to file this return electronically through our website [www.hacienda.pr.gov](http://www.hacienda.pr.gov), by clicking on "SURI", the Spanish acronym for the Unified Internal Revenue System.

Merchants whose Merchant's Registration Certificate indicates that they are not VAT collectors, will not be required to file this return to report their exempt sales. However, merchants who do sell taxable goods and services, will be required to file the corresponding Monthly Return electronically.

**WHEN AND WHERE SHALL THIS RETURN BE FILED?**

This return and its corresponding payment are due on the twentieth (20th) day of the month following the month during which the transaction subject to the VAT took place.

This return and its payment shall only be filed through our website [www.hacienda.pr.gov](http://www.hacienda.pr.gov), via SURI.

Payment must be made through electronic transfer of funds (ACH Credit and ACH Debit). For additional information about ACH Credit, please refer to Publication 06-06 available through the Department's website [www.hacienda.pr.gov](http://www.hacienda.pr.gov) under the "Publications" topic and the "Internal Revenue Area and Tax Policy Area" subtopic.

## POSTINGS OF TRANSACTIONS IN MERCHANT'S SURI ACCOUNT

Some transactions completed in SURI may not be reflected in the merchant's SURI account until they are posted. All transactions done in SURI are posted to the merchant's account over night, after 7:00 p.m.

### HEADING

**Merchant's Registration Number** – The return must include the Merchant's Registration Number assigned by the Department. Such number consists of the first seven digits of the current Merchant's Registration Number and a location number assigned by SURI.

If you are a merchant who does not have a Merchant's Registration Number, you must register electronically in the Merchant's Registry by accessing SURI through the Department's website (<http://www.hacienda.pr.gov>). When the registration is completed electronically, the system will inform the Merchant's Registration Number through the registration confirmation sheet. If you are a duly registered merchant who has not yet completed the registration in SURI, you must do so before filing the VAT Monthly Return.

**Social Security or Employer Identification Number** – If a juridical person, indicate your employer identification number. If you are an individual doing business under your own name, you must enter your social security number, regardless of whether you conduct business using a sole proprietorship employer number.

**Name of Merchant or Retailer** – Indicate the trade name (known as "dba") of the commercial establishment for which this return is being filed. If you are an individual doing business under your own name, indicate your first and last names.

**Period** – Indicate the month (two digits) and year (four digits) corresponding to the period for which this return is being filed.

**Amended Return** – If you omitted any sales or did not claim an exemption, deduction, or adjustment to which you were entitled to, or believe that you are not entitled to a deduction or adjustment claimed in your original return, you must file an amended return. You will be able to amend the return within your account in SURI.

### ROUNDING

All dollar value amounts should be rounded to two decimal places (Example: \$15.25). All percentages should be rounded to four decimal places (Example: 20.55% or .2055).

## SPECIFIC INSTRUCTIONS FOR FILING THIS RETURN

### TRANSACTIONS

All taxable sales, exempt transactions, zero-rated sales, and sales under preexisting contracts for the applicable period should be reported by each registered location of the merchant. SURI will provide an optional template to data entry the sales by location.

#### Section A – Taxable Sales

**Line 1 – Sale of taxable goods** – Enter on this line all sales of goods subject to VAT, including all inventory withdrawn for the personal use of the owner of the business. Exclude all sales of services or admission rights.

The term "goods" is defined in Section 4110.01(a)(13) of the Code as all property, object, artifact, thing susceptible of appropriation, including computer programs and prepaid calling cards. If you carried out bundled transactions, as such term is defined in Section 4110.01(a)(70) of the Code, that because of their nature are considered as sales of goods, you shall also indicate the total amount of such sales that are taxable on this line.

**Line 2 – Sale of taxable services** – Indicate the total amount of sales of taxable services generated during the month, including the designated professional services. Exclude all sales of goods or admissions.

The term "services" is defined in Section 4110.01(a)(58) of the Code as, generally, any business carried out by any merchant that is not a sale of goods. If you carried out bundled transactions, as such term is defined in Section 4110.01(a)(70) of the Code, which because of their nature are considered as sales of services, you shall also indicate the total amount of such sales that are taxable on this line.

**Line 3 – Taxable admissions** – Indicate the total amount of sales of admission fees generated during the month for which this return is being filed. The term "admission fees" is defined in Section 4110.01(a)(28) of the Code and, in general, refers to the amount of money paid to admit a person into any place of entertainment, sports or recreation. Exclude all sales of goods or services.

#### Section B – Exempt Transactions

**Line 5 – Sale of exempt goods** – Enter on this line all sales of goods exempt from VAT, including the sale of food and food ingredients, as such term is defined in Section 4110.01(a)(1) of the Code; prescription drugs, as such term is defined in Section 4110.01(a)(44) of the Code; and any other sale of goods that qualifies for any of the exemptions established in the Code. Include as part of this line all the sales made under the Federal Nutrition Assistance Program (PAN-Spanish acronym) and the WIC program. **DO NOT INCLUDE SALE OF TAXABLE GOODS TO EXEMPT PERSONS.** Exclude all sales of services or admissions.

Include also on this line, for periods commencing on July 1, 2016, the total amount of sales of exempt goods under preexisting contracts exempt from VAT for which the contract's qualification was renewed with regards to Construction Projects.

**Line 6 – Sale of taxable goods to exempt persons** – Enter on this line all sale of goods that would be subject to VAT but are sold to persons that purchase the good exempt from VAT, such as the Government, hospital units, tourist businesses or farmers. As may apply, you shall request and maintain evidence of the exempt status of all purchasers, such as Form AS 2916.1 “Certificate of Exempt Purchases”. Do not include sale of exempt or taxable goods, sales of services or admissions.

**Line 7 – Sale of exempt services** – Enter on this line all sales of services exempt from VAT, including services rendered to homeowner’s association; services provided to the Government of Puerto Rico and the Government of the United States; educational services; interests and other charges for the use of money; charges from services provided by financial institutions to clients other than commercial clients; insurance services and commissions; health or medical hospital services; services; and any other sale of services that qualifies for any of the exemptions established in the Code. Exclude all sales of goods or admissions.

Include also on this line, for periods commencing on July 1, 2016, the total amount of sales of exempt services under preexisting contracts exempt from VAT for which the contract’s qualification was renewed with regards to Construction Projects.

**Line 8 – Exempt admissions** – Enter on this line all sales of admissions exempt from VAT, including the sale of admission fees for sports events or any other type of event sponsored by public or private elementary schools, intermediate schools, high schools, universities or colleges that provide educational services. Exclude all sales of goods or services.

### Section C – Zero-Rated Sales

**Line 10 – Sale of goods subject to zero rate** – Enter on this line sales of goods subject to VAT at the zero rate, which only include sale of exported goods and sale of articles for manufacturing, as defined by the Code. Exclude all sale of services.

**Line 11 – Export services subject to zero rate** – Enter on this line sales of services subject to VAT at the zero rate, which only include sale of exported services. Exclude all sale of goods.

### Section D – Preexisting Contracts for Construction Projects

**Line 13 – Sales of goods and services under pre-existing contracts for construction projects subject to 6% VAT** – For periods commencing on July 1, 2016, indicate the total amount of sales of goods and services under preexisting contracts taxable at the 6% tax rate for which the contract’s qualification was renewed with regards to Construction Projects.

### Section E – Items Subject to Reverse Charge

**Line 15 – Items subject to reverse charge** – Indicate the total amount of sales of services rendered by a nonresident person to a person engaged in a trade or business or income producing activity received during the period.

## CREDITS AND ADJUSTMENTS

**Schedule for VAT Paid** – Merchants with an annual volume of business exceeding \$40 million are required to file with the return a schedule showing the detail of gross VAT paid that will be claimed as a credit in the VAT Monthly Return. The schedule must be included as part of the electronically filed return. The schedule must include the following information: transaction date; vendor’s name; vendor’s merchant’s number; number of invoice or receipt; description of the goods or service purchased; total purchase cost (without VAT); exempt sales cost; VAT paid in the transaction; total invoice amount; and type of VAT paid classified by: VAT paid for the purchase of goods for resale, VAT paid other than for the purchase of goods for resale, and VAT paid for the purchase of goods for resale under a preexisting contract. Each type of VAT paid should be subtotaled.

The merchant may choose to complete the schedule showing the total of the VAT paid for all purchases to the vendor in the current month attributable to the same type of VAT paid. In such case, the merchant may include the last day of the month as the transaction date. The information required in the schedule may be entered manually or uploaded into SURI. SURI will provide a template that the merchant may download and upload with the required information.

**Optional computation** – Section 4150.02(a)(2)(E) of the Code provides an optional computation for the credit for VAT paid to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (gas & oil and vehicles) or operates as a cash and carry. Merchants that elected the special computation with their Request for Merchant’s Registry Certificate may claim all their VAT paid in a given period up to their tax liability.

**Line 20 – Credit for VAT paid** – Indicate on this line the allowable credit for VAT paid. Merchant is required to determine the amount of the credit for VAT paid that is going to be claimed on the VAT Monthly Return using the applicable worksheet considering if said merchant is required to use the regular or the optional computation.

#### Regular Computation:

Any other merchant that does not qualify or has not elected the optional computation will be required to determine the credit for VAT paid using the *Credit for VAT Paid - Regular Computation Worksheet*. On this worksheet, the merchant will be required to enter the amount of VAT paid on lines 2, 5, and 8, as applicable. The remainder information will be uploaded from the imports returns on the Department systems, the information already included on the return and additional worksheets used to compute the tax due with the return. This worksheet will be part of the VAT return platform on SURI and must be completed by the merchant in order to determine the allowable VAT credit for the month. Merchant under the regular computation will transfer the credit determined on line 19, Part III of the worksheet to line 20 of the VAT Monthly Return.

**Credit for VAT Paid – Regular Computation Worksheet**

Complete this worksheet only if you did not elect the optional computation provided by Section 4150.02(a)(2)(E) of the Code applicable to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (combustibles and vehicles) or to cash & carry stores, if applicable.

**Part I: Determination of Total VAT Paid**

1. VAT paid on imports of goods for resale (Line 8(a) of Form AS 2915.1 D "Tax on Imports Monthly Return") .....	
2. VAT paid or accrued on purchases of goods for resale. Merchants that are required to include with the return the Worksheet for VAT Paid should include on this line the subtotal for the VAT paid on purchases of goods for resale shown on the worksheet .....	
3. Total VAT paid related to purchases of goods for resale (Add lines 1 and 2) .....	
4. VAT paid on imports of goods for use (Line 8(b) of Form AS 2915.1 D "Tax on Imports Monthly Return") .....	
5. VAT paid or accrued on purchases of services and goods for use and consumption. Merchants that are required to include with the return the Worksheet for VAT Paid should include on this line the subtotal for the VAT paid on purchases of goods or services and goods for use or consumption shown on the worksheet .....	
6. Reverse charge (Multiply line 15 of the return by 10.5%) .....	
7. Total VAT paid or accrued on purchases of services and goods for use and consumption (Add line 4 through line 6) .....	
8. Total VAT paid on the purchase of goods for resale under a preexisting contract. Merchants that are required to include with the return the Worksheet for VAT Paid should include on this line the subtotal for the VAT paid on purchase of goods for resale under a preexisting contract shown on the worksheet .....	
9. Total VAT paid in the current month (Add lines 3, 7 and 8) .....	

**Part II: Determination of the Percentage of Allocation of VAT Paid to Taxable Sales**

10. Total sales (Subtract line 13 of the return from line 14 of the return) .....	
11. Total sale of goods (Add line 1 of the return, line 5 of the return, line 6 of the return, and line 10 of the return) .....	
12. Total exempt sales (Line 9 of the return) .....	
13. Total sale of taxable goods to exempt persons (Line 6 of the return) .....	
14. Current month percentage allocation for direct credit - Goods for resale (Subtract line 13 from line 11 and divide it by line 11) .....	
15. Current month percentage allocation for indirect credit (Subtract line 12 from line 10 and divide it by line 10) .....	

**Part III: Determination the Credit for VAT Paid**

16. Creditable VAT paid on purchase of goods for resale (Multiply line 3 by line 14) .....	
17. Creditable VAT paid on purchase of services and goods for use (Multiply line 7 by line 15) .....	
18. Creditable VAT paid for the purchase of goods for resale under a preexisting contract (Line 8) .....	
19. Total Credit for VAT Paid (Add lines 16 through 18). Transfer this amount to line 20 of the return .....	

No VAT paid under a preexisting contract may be claimed as a credit on this line, except VAT paid for goods purchased for resale.

Optional Computation:

Merchants that comply with the requirements mentioned above and elected on its registration process to use the optional computation, will determine the credit for VAT paid using the *Credit for VAT Paid - Optional Computation Worksheet*. On this worksheet, the merchant will be required to enter on line 3 the amount of VAT paid, if applicable. The remainder information will be uploaded from the monthly imports returns on the Department systems, the information already included on the return and additional worksheets used to compute the tax due with the return.

This worksheet will be part of the VAT return platform on SURI and must be completed by the merchant in order to determine the allowable VAT credit for the month. Merchant under the optional computation will transfer the credit determined on line 7, Part II of the worksheet to line 20 of the VAT Monthly Return.



**Credit for VAT Paid – Optional Computation Worksheet**

Complete this schedule only if you qualify for the optional computation provided by Section 4150.02(a)(2)(E) of the Code applicable to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (combustibles and vehicles) or to cash & carry stores that elected such optional computation in their Merchant’s Registration.

**Part I: Determination of Total VAT Paid During the Current Month**

1. VAT paid on imports of goods for resale (Line 8(a) of Form AS 2915.1 D “Tax on Imports Monthly Return”) .....	
2. VAT Paid on Imports of goods for use (Line 8(b) of Form SC 2915D “Tax on Imports Monthly Return”) .....	
3. VAT paid or accrued on purchases of services and goods for use and consumption. Merchants that are required to include with the return the Worksheet for VAT Paid should include on this line the subtotal for the VAT paid on purchase of goods or services and goods for use or consumption shown on the worksheet .....	
4. Reverse charge (Multiply line 15 of the return by 10.5%) .....	
5. Total VAT paid or accrued during the current month (Add lines 1 through 4) .....	

**Part II: Determination of Credit for VAT Paid under the Optional Computation**

6. Total gross value added tax (Line 17 of the return) .....	
7. Credit for VAT Paid under the Optional Computation (Enter the smaller of lines 5 and 6). Transfer this amount to line 20 of the return .....	

No VAT paid under a preexisting contract may be claimed as a credit on this line, except VAT paid for goods purchased for resale.

**Line 21 – Sales Adjustments** – Indicate on this line the amount of adjustments, as defined in Section 4150.01 of the Code. Adjustments are related to VAT charged on sales. The amount of the adjustment should be calculated using the “Adjustments Worksheet”. Enter in Column A “Gross Amount” the adjustment amount. Then, in Column B “Gross VAT Amount” multiply the amount entered in Column A by the applicable VAT tax rate. You may include returns adjustments related to SUT that may be applicable at the applicable SUT rate that the transaction was originally reported.

The total sales adjustment determined on line 10, Column D, Part I of the Adjustment Worksheet will be transferred to line 21 of the monthly VAT return, regardless of the computation method used by the merchant.

**Line 22 – Purchase Adjustments** – Indicate on this line the amount of adjustments, as defined in Section 4150.01 of the Code. Adjustments are related to VAT paid on purchases for previous months. Examples of these adjustments are purchase returns and accounts payable charge offs. The amount of the adjustment should be calculated using the “Adjustments Worksheet”. Enter in Column A “Gross Amount” the adjustment amount. Then, in Column B “Gross VAT Amount” multiply the amount entered in Column A by the applicable VAT tax rate. You may include bad debt adjustments related to SUT that may be applicable at the applicable SUT rate that the transaction was originally reported.

Merchants using the Optional Computation are not required to complete lines 1 and 2 of the Adjustment Worksheet and will use 100% as the allocation percentage in Column B of lines 11 through 16. Also this merchant must complete Part III of this worksheet in order to determine the current period adjustment applicable to its current period purchases. Those merchants using the Regular Computation will use this Adjustment Worksheet, but will not be required to complete Part III of the worksheet.

The total purchase adjustment applicable to merchants using the Regular Computation is determined on line 17, Part II, and will be transferred to line 22 of the VAT Monthly Return. In the case of merchants using the Optional Computation the purchase adjustment will be the amount determined on line 21, Part III of the Adjustment Worksheet, and will be transferred to line 22 of the VAT Monthly Return.

**Adjustments Worksheet**

If you qualify for the optional computation provided by Section 4150.02(a)(2)(E) of the Code to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (gas & oil and vehicles) or cash & carry stores; and elected such optional computation in your Merchant's Registration (the "Optional Computation"), do not complete lines 1 and 2, include 100% on lines 11 through 16 and complete Part III. Other merchants must complete lines 1 and 2 and must apply the percentages shown on such lines to Part II of this worksheet and are not required to complete Part III.

- |  |   |
|--|---|
| 1. Percentage allocation for direct credit - Goods for resale (Line 14 of "Regular Computation Worksheet") ..... | % |
| 2. Percentage allocation for indirect credit (Line 15 of "Regular Computation Worksheet") .....                  | % |

	COLUMN A	COLUMN B	COLUMN C	COLUMN D
	Gross Amount	Gross VAT Amount	Allocation	Adjustment (Column A multiplied by Column B)

**Part I: Sales Adjustments**

3. Increases in sales price .....			-100%	
4. Sales returns of taxable goods .....			100%	
5. Sales returns of taxable services and taxable admissions .....			100%	
6. Sales returns of taxable goods sold to exempt persons .....			0%	
7. Sales returns of exempt goods .....			0%	
8. Sales returns of exempt services and exempt admissions .....			0%	
9. Bad debts - Accounts receivable charge offs .....			100%	
10. Total sales adjustments (Add lines 3 through 9 of Column D, enter the result here and transfer to line 21 of the return) .....				

**Part II: Purchase Adjustments**

11. Purchase returns - Directly related to sales of goods for resale .....			- ____%[Line 2]	
12. Purchase returns - Indirectly related to sales .....			- ____%[Line 2]	
13. Account payable charge off - Directly related to sales of goods for resale (VAT accrued and claimed on prior return but never paid) .....			- ____%[Line 2]	
14. Account payable charge off - Indirectly related to sales (VAT accrued and claimed on prior return but never paid) .....			- ____%[Line 2]	
15. Increases in purchase price - Directly related to sales of goods for resale .....			+ ____%[Line 2]	
16. Increases in purchase price - Indirectly related to sales .....			+ ____%[Line 2]	
17. Total purchase adjustments (Add lines 11 through 14 and subtract lines 15 and 16 of Column D, enter the result here and transfer to line 22 of the return) .....				

**Part III: Determination of Purchase Adjustments for Merchants with Optional Computation**

18. Total gross value added tax (Line 17 of the return) .....	
19. Less: Credit for VAT paid (Line 20 of the return) .....	
20. VAT liability before adjustments (Subtract line 19 from line 18). Cannot be less than zero .....	
21. Total Current Period Adjustment (Enter the smaller of lines 17 and 20). Transfer this amount to line 22 of return .....	

**Line 23 – Reconciliation adjustment for direct credit** – Indicate on this line the reconciliation adjustment for the direct credit for VAT paid. Only VAT paid for the purchase of goods for resale is considered a VAT paid directly related to sales. The amount of the reconciliation adjustment for the direct credit should be calculated using the *Reconciliation Adjustment Worksheet – Direct Credit* below. Merchants will be required to reconcile each month the accumulated credit for VAT paid for purchases of goods for resale. As a result, the merchant will reflect on the monthly return an adjustment, either positive or negative, representing the difference between the amount of the current month VAT credit paid on purchases of goods for resale determined on line 16, Part III of the Credit for VAT Paid - Regular Computation Worksheet and the accumulated VAT credit that resulted on this worksheet.

The worksheet is only applicable if you did not elect the optional computation provided by Section 4150.02(a)(2)(E) of the Code applicable to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (gas & oil and vehicles) or operates as a cash and carry, if applicable. The amounts shown for this line will be automatically calculated by SURI.

**Reconciliation Adjustment Worksheet - Direct Credit**

Complete this worksheet only if you did not elect the optional computation provided by Section 4150.02(a)(2)(E) of the Code applicable to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (gas & oil and vehicles) or cash and carry stores, if applicable.

**Part I: Determination of Accumulated Sale of Goods**

1. Beginning balance of accumulated sale of goods (Line 4 of prior month's "Reconciliation Adjustment Worksheet - Direct Credit") .....	
2. Add: Current month's total sale of goods (Line 11, Part II of the current month's "Credit for VAT Paid - Regular Computation Worksheet") .....	
3. Deduct: Current month's total sale returns of goods (This line is the sum of lines 4, 6 and 7 of Part I of the current month's "Adjustments Worksheet")..	
4. Ending balance of accumulated sale of goods (Add lines 1 and 2 and subtract line 3 of this worksheet) .....	

**Part II: Determination of Accumulated Sale of Taxable Goods to Exempt Persons**

5. Beginning balance of accumulated sales of taxable goods to exempt persons (Line 8 of prior month's "Reconciliation Adjustment Worksheet - Direct Credit") .....	
6. Add: Current month's total sale of taxable goods to exempt persons (Line 13, Part II of the current month's "Credit for VAT Paid - Regular Computation Worksheet") .....	
7. Deduct: Current month's total sales returns of taxable goods sold to exempt persons (Line 6, Column A, Part I of the current month's "Adjustments Worksheet") .....	
8. Ending balance of accumulated sales of taxable goods to exempt persons (Add lines 5 and 6 and subtract line 7 of this worksheet) .....	
9. Accumulated sale of goods less accumulated sales of taxable goods to exempt persons (Subtract line 8 from line 4 of this worksheet) .....	
10. Accumulated percentage allocation for direct credit - Goods for resale (Divide line 9 by line 4) .....	

**Part III: Determination of Accumulated VAT Paid for Purchases of Goods for Resale**

11. Beginning balance of accumulated VAT paid on purchases of goods for resale (Line 13 of prior month's "Reconciliation Adjustment Worksheet - Direct Credit") ...	
12. Current month's total VAT paid on purchases of goods for resale (Line 3 of Credit for VAT Paid - Regular Computation Worksheet) .....	
13. Ending balance of accumulated VAT paid on purchases of goods for resale (Add lines 11 and 12) .....	
14. Reconciliated credit for VAT paid on purchases of goods for resale (Multiply line 10 by line 13) .....	

**Part IV: Accumulated Credit for VAT Paid for Purchases of Goods for Resale**

15. Beginning balance of reconciliated credit for VAT paid on purchases of goods for resale (Line 17 of prior month's "Reconciliation Adjustment Worksheet - Direct Credit") .....	
16. Current month's creditable VAT paid on purchases of goods for resale (Line 16 of "Credit for VAT Paid - Regular Computation Worksheet")...	
17. Ending balance of reconciliated credit for VAT paid on purchases of goods for resale (Add lines 15 and 16) .....	
18. Reconciliation Adjustment (Subtract line 17 from line 14). If line 14 is greater than line 17, the amount will be considered an additional credit. If line 14 is smaller than line 17, the amount will be considered a reduction of credit .....	

If filing amended returns, all beginning balances that should be shown in the worksheet must include all amounts shown with regards to all filed periods within the same fiscal year. For example, assuming a calendar year based taxpayer, if amending the August return after filing the September return, the beginning balances for lines 1, 5, 11 and 15 in the worksheet above should include all corresponding figures for the September return. The amounts shown for this line will be automatically calculated by SURI also in the case of amended returns.

**Line 24 - Reconciliation adjustment for indirect credit** - Indicate on this line the reconciliation adjustment for the indirect credit for VAT paid. All VAT paid, except for the purchase of goods for resale, is considered VAT paid indirectly related to sales. The amount of the reconciliation adjustment for the indirect credit should be calculated using the *Reconciliation Adjustment Worksheet - Indirect Credit* below.

Merchants will be required to reconcile each month the accumulated credit for VAT paid for purchases of services and goods for use and consumption. As a result, the merchant will reflect on the monthly return an adjustment, either positive or negative, representing the difference between the amount of the current month VAT credit paid on purchases of services and goods for use and consumption determined on line 17, Part III of the *Credit for VAT Paid - Regular Computation Worksheet* and the accumulated VAT credit that resulted on this worksheet.

The worksheet is only applicable if you did not elect the optional computation provided by Section 4150.02(a)(2)(E) of the Code applicable to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (gas & oil and vehicles) or operates as a cash and carry, if applicable. The amounts shown for this line will be automatically calculated by SURI.



**Reconciliation Adjustment Worksheet - Indirect Credit**

Complete this worksheet only if you did not elect the optional computation provided by Section 4150.02(a)(2)(E) of the Code applicable to merchants principally engaged in the sale of unprepared foods, medicines, articles for the treatment of health conditions, and goods subject to excise taxes under Sections 3020.06, 3020.07, 3020.07A, and 3020.08 of the Code (gas & oil and vehicles) or cash and carry stores, if applicable.

**Part I: Total Accumulated Sales**

- 1. Beginning balance of total accumulated sales (Line 4 of prior month's "Reconciliation Adjustment Worksheet - Indirect Credit") .....
- 2. Add: Current month's total sales (Line 10, Part II of the of the current month's "Credit for VAT Paid – Regular Computation Worskheet") .....
- 3. Deduct: Total sales returns (This line is the sum of lines 4, 5, 6, 7 and 8 of Part I of the current month "Adjustments Worksheet") .....
- 4. Ending balance of total accumulated sales (Add lines 1 and 2 and subtract line 3 of this worksheet) .....


**Part II: Accumulated Exempt Sales**

- 5. Beginning balance of accumulated exempt sales (Line 8 of prior month's "Reconciliation Adjustment Worksheet - Indirect Credit") .....
- 6. Add: Current month's total exempt sales (Line 12, Part II of the of the current month's "Credit for VAT paid – Regular Computation Worskheet") .....
- 7. Deduct: Total sales returns of exempt transactions (This line is the sum of lines 6, 7 and 8, Column A, Part I of current month's "Adjustments Worksheet") .....
- 8. Ending balance of accumulated exempt sales (Add lines 5 and 6 and subtract line 7 of this worksheet) .....
- 9. Accumulated taxable sales: Accumulated total sales less accumulated exempt sales (Subtract line 8 from line 4 of this worksheet) .....
- 10. Accumulated allowable percentage of allocation of VAT paid to taxable sales (Divide line 9 by line 4) .....


**Part III: Accumulated VAT Paid for Purchases of Services and Goods for Use and Consumption**

- 11. Beginning balance of accumulated VAT paid on purchases of services and goods for use and consumption (Line 13 of prior month's "Reconciliation Adjustment Worskheet - Indirect Credit") .....
- 12. Current month's total VAT paid on purchases of services and goods for use and consumption (Line 7 of "Credit for VAT Paid – Regular Computation Worskheet") .....
- 13. Ending balance of accumulated VAT paid on purchases of services and goods for use and consumption (Add lines 11 and 12) .....
- 14. Reconciled credit for VAT paid on purchases of services and goods for use and consumption (Multiply line 13 by line 10) .....


**Part IV: Accumulated Credit for VAT Paid for Purchases of Services and Goods for Use and Consumption**

- 15. Beginning balance of reconciled credit for VAT paid on purchases of services and goods for use and consumption (Line 17 of prior month's "Reconciliation Adjustment Worskheet - Indirect Credit") .....
- 16. Current month's creditable VAT paid for purchases of services and goods for use and consumption (Line 17 of "Credit for VAT Paid – Regular Computation Worskheet") .....
- 17. Ending balance of reconciled credit for VAT paid for services and purchases of goods for use and consumption (Add lines 15 and 16) ...
- 18. Reconciliation Adjustment (Subtract line 17 from line 14). If line 14 is greater than line 17, the amount will be considered an additional credit. If line 14 is smaller than line 17, the amount will be considered a reduction of credit .....


If filing amended returns, all beginning balances that should be shown on the schedule must include all amounts shown with regards to all filed periods within the same fiscal year. For example, assuming a calendar year based taxpayer, if amending the August return after filing the September return, the beginning balances for lines 1, 5, 11 and 15 in the worksheet above should include all corresponding figures for the September return. The amounts shown for this line will be automatically calculated by SURI also in the case of amended returns.

**Line 25 – Credit for foreign VAT paid** – Indicate on this line the credit for foreign VAT paid over services provided by related parties, if applicable, pursuant to Section 4150.03 of the Code. In order to claim this credit, the merchant must obtain a ruling from the Department of the Treasury stating, among other things, the calculation of this credit.

**TOTAL AMOUNT DUE / OVERPAID**

**Line 28 – Prior month overpayments** – This line will reflect the amount of prior month overpayments available to claim in the current return. For the return for the month of June 2016, the prior month overpayments are the sum of lines 30 through 34 of Form AS 2915.1 A. For all other returns, the prior month overpayment will usually be the amount shown on line 30 for the prior month return. However, if the merchant's SURI account was modified after the filing of the last return, whether for amending returns, processing payment transactions, requesting a refund, adjusting for audit, calculating actual interest, penalties and surcharges, applying manual transactions, among others, the amount shown here will come from the account balance stated in SURI. The amount will be estimated by SURI.

**Line 29 – Deposits made during the period** – This line will reflect the total amount of VAT deposits made during the period for which this return is being filed, including any excess VAT paid creditable to the VAT Monthly Return as shown on line 17A of Form AS 2915.1 D "Tax on Imports Monthly Return". The amount will be automatically calculated by SURI and no data entry will be available on this line.

**INTERESTS, SURCHARGES AND PENALTIES**

**Interests** – If the VAT is not paid on or before the twentieth (20th) day of the month following the month during which the transaction subject to said tax occurred, interests calculated at an annual rate of 10% from the twentieth (20th) day of the month to the date when the payment is made must be paid. SURI will estimate the amount of interests due when filing the return. However, the correct and final interest due will be calculated once the return is processed after filing. The merchant has the option of modifying in SURI the estimated interest due to correct the amount due.

**Surcharges** – In all cases where the payment of interest is applicable, a surcharge equivalent to 5% of the total unpaid amount shall also be charged if the delay in payment exceeds 30 days, but not 60 days, or 10% of the total unpaid amount if the delay exceeds 60 days. SURI will estimate the amount of surcharges due when filing the return. However, the correct and final surcharges due will be calculated once the return is processed after filing. The merchant has the option of modifying in SURI the estimated surcharges due to correct the amount due.

**Penalties** – A progressive penalty shall be imposed for not filing this return, unless you demonstrate that such omission is due to a reasonable cause and not to voluntary neglect. If the omission does not exceed 30 days, 5% shall be added to the VAT balance, and an additional 10% shall be added for each additional 30 day period or fraction thereof while the omission continues to exist, without exceeding 25% in total. Also, any person required to file the VAT Monthly Return who fails to file such Return, in the form, date and manner therein established, shall be subject to a penalty of one hundred (100) dollars or ten (10) percent of the tax liability established in such return, whichever is higher. Likewise, any person who fails to remit the VAT in the form and on the time therein established, shall be subject to a penalty of no less than twenty-five (25) percent nor more than fifty (50) percent of the determined insufficiency. SURI will estimate the amount of penalties due when filing the return. However, the correct and final surcharges due will be calculated once the return is processed after filing. The merchant has the option of modifying in SURI the estimated penalties due to correct the amount due.

### **PAYMENT RETURN FEES**

Every electronic payment returned, will be subject to a \$25.00 minimum charge. This charge is in addition to any other interest, surcharges and penalties provided by the Code or any other fiscal law for omissions in fulfilling your tax responsibility. The Department will make the collection in a traditional or electronic manner.

### **KEEPING RECORDS**

All merchants shall maintain in Puerto Rico, for a period no shorter than six (6) years, all the information that serves as evidence of the taxable and exempt goods and services received, used, sold, distributed, stored, or leased by said merchant, such as invoices, shipping documents, collections for said sales, and any other document that the Secretary could request. Furthermore, all merchants shall maintain, for a period no shorter than six (6) years, accounting books, papers, documents, and any other evidence related to their sales and to the amount of the collected and deposited value added tax. The documents and information to be maintained include, but are not limited to, statements, invoices, commercial receipts, canceled checks, payment receipts, and exemption certificates.

### **NOTICE TO SPECIALISTS**

All tax return specialists who prepare VAT returns are required to file them electronically on behalf of their clients. The Code provides administrative fines and penalties for specialists who do not provide such information or do not comply with any other of the requirements established by the Code.