

Liquidator:	Reviewer:	20	GOVERNMENT OF PUERTO RICO DEPARTMENT OF THE TREASURY	20	Serial Number
Field audited by:		Income Tax Return 480.20(U) (Nonresident foreign corporations and partnerships subject to the effectively connected income source rules of Act 154-2010, as amended)			
Date		TAXABLE YEAR BEGINNING ON _____ AND ENDING ON _____			
R M N 		<input type="checkbox"/> AMENDED RETURN <input type="checkbox"/> COMPOSITE CORPORATION RETURN <input type="checkbox"/> ALL PARTNERS RETURN			

Taxpayer's Name		Employer Identification Number		Payment Stamp	
Postal Address		Industrial Code			
Zip Code		Telephone Number - Extension () -			
Place of Incorporation or Organization		Date Incorporated or Organized Day / Month / Year			
Type of Principal Industry or Business		NAICS Code		Receipt No. _____ Amount: _____	
Check the corresponding box, if applicable		E-mail Address of the contact person		Type of Entity for Income Tax Purposes	
<input type="checkbox"/> First return <input type="checkbox"/> Last return		CHANGE OF ADDRESS: <input type="checkbox"/> Yes <input type="checkbox"/> No EXTENSION OF TIME: <input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Corporation <input type="checkbox"/> Partnership Indicate if you are member of a group of related entities <input type="checkbox"/> Yes <input type="checkbox"/> No	

GO TO PAGE 2 TO DETERMINE YOUR REFUND OR PAYMENT.			
Refund	1. AMOUNT OVERPAID (Part I, line 12. Indicate distribution on lines A, B, C and D)	(1)	00
	A) To be credited to estimated tax for next year	(1A)	00
	B) Contribution to the San Juan Bay Estuary Special Fund	(1B)	00
	C) Contribution to the Special Fund for the University of Puerto Rico	(1C)	00
	D) TO BE REFUNDED	(1D)	00
Payment	2. AMOUNT OF TAX DUE (Part I, line 12)	(2)	00
	3. Less: Amount paid (a) With Return	(3a)	00
	(b) Interests (See instructions)	(3b)	00
	(c) Surcharges _____ and Penalties _____ (See instructions)	(3c)	00
	4. BALANCE OF TAX DUE (Subtract line 3(a) from line 2 and add lines 3(b) and 3(c))	(4)	00

OATH

I, the undersigned (president, vice-president, treasurer, assistant treasurer, or other principal or finance officer of the corporation for which this income tax return is made), declare under penalty of perjury, that this return (including schedules and statements attached) has been examined by me, and to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, pursuant to the Puerto Rico Internal Revenue Code of 2011, as amended, and the Regulations thereunder.

Name and Title of Authorized Officer
Signature of Authorized Officer

Date

SPECIALIST'S USE ONLY

I declare under penalty of perjury that this return (including schedules and statements attached) has been examined by me and to the best of my knowledge and belief is true, correct, and complete return. The declaration of the person who prepares this return is with respect to the information received, and this information may be verified.

Specialist's name (Print)	Check if self-employed Specialist <input type="checkbox"/>	Registration number	FOR CPA USE ONLY	
Firm's name			CPA License Number	CPA Association Stamp
Address	Zip Code		Number of the CPA Association Stamp	
Specialist's signature		Date		

NOTE TO TAXPAYER

Indicate if you made payments for the preparation of you return: Yes No. If you answered "Yes", require the Specialist's signature and registration number.

Retention Period: Ten (10) years

Part I Computation of Tax - Corporations		
1. Net income subject to normal tax (Part IV, line 8 or Part IX, line 2, as applicable)	(1)	00
2. Less: Surtax net income deduction (Check here if comes from Form AS 2652.1 <input type="checkbox"/>)	(2)	00
3. Net income subject to surtax (Subtract line 2 from line 1)	(3)	00
4. Normal Tax (Multiply line 1 by 18.5%)	(4)	00
5. Surtax (See instructions)	(5)	00
6. Total Tax Determined (Add lines 4 and 5)	(6)	00
7. Tax credits (Schedule B Corporation, Part II, line 27)	(7)	00
8. Other Payments and Withholdings (Schedule B Corporation, Part III, line 11)	(8)	00
9. Balance of Tax Due (Subtract the sum of lines 7 and 8 from line 6 and enter the difference on this line. Otherwise, if the sum of lines 7 and 8 is more than line 6, there is an excess of tax paid or withheld that you must enter on line 10)	(9)	00
10. Excess of tax paid or withheld (See instructions)	(10)	00
11. Addition to the tax for failure to pay estimated tax (Schedule T Corporation, Part II, line 21)	(11)	00
12. BALANCE: * If line 10 is more than the sum of lines 9 and 11, you have an overpayment. Enter the difference here and on line 1, page 1. * If line 10 is less than the sum of lines 9 and 11, you have a balance of tax due. Enter difference here and on line 2, page 1. * If the difference between line 10 and the sum of lines 9 and 11 is equal to zero, enter zero here and sign your return on page 1. (12)	(12)	00
THE AMOUNT REFLECTED ON LINE 12 SHALL BE TRANSFERRED TO THE CORRESPONDING LINE OF PAGE 1.		
Part II Distributable Share - Partnerships		
	Amount	Tax Withheld
1. Net income attributable to Puerto Rico sources (Part IV, line 8 or Part IX, line 2, as applicable. See inst.) ..	(1)	00
2. Credit for the purchase of tax credits (Submit detail)	(2)	00
Part III Determination of Entire Net Income of the Nonresident Foreign Corporation or Partnership		
1. Entire net income of the nonresident foreign corporation or partnership (See instructions)	(1)	00
2. Royalties (See instructions)	(2)	00
3. Dividends (See instructions)	(3)	00
4. Net Operating Losses (See instructions)	(4)	00
5. Total Adjustments (Add lines 2 through 4)	(5)	00
6. Entire net income of the nonresident foreign corporation or partnership (Subtract line 5 from line 1)	(6)	00
Part IV Computation of the Net Income Attributable to Puerto Rico Sources		
1. Entire net income of the nonresident foreign corporation or partnership (Part III, line 6)	(1)	00
2. Property Factor (From Part V, line 3)	(2)	%
3. Payroll Factor (From Part VI, line 3)	(3)	%
4. Sales Factor (From Part VII, line 3)	(4)	%
5. Purchases Factor (From Part VIII, line 3)	(5)	%
6. Add lines 2 through 5	(6)	%
7. Divide line 6 by 4	(7)	%
8. Net Income Attributable to Puerto Rico Sources (Multiply line 1 by line 7. In the case of corporations, transfer to Part I, line 1. In the case of partnerships, transfer to Part II, line 1)	(8)	00
Part V Determination of the Property Factor		
1. Average value of the real and tangible personal property used in Puerto Rico during the taxable year	(1)	00
2. Average value of the real and tangible personal property used everywhere during the taxable year	(2)	00
3. Property Factor (Divide line 1 by line 2. Transfer to Part IV, line 2)	(3)	%
Part VI Determination of the Payroll Factor		
1. Total compensation paid or accrued in Puerto Rico during the taxable year	(1)	00
2. Total compensation paid or accrued everywhere during the taxable year	(2)	00
3. Payroll Factor (Divide line 1 by line 2. Transfer to Part IV, line 3)	(3)	%
Part VII Determination of the Sales Factor		
1. Total sales in Puerto Rico during the taxable year	(1)	00
2. Total sales everywhere during the taxable year	(2)	00
3. Sales Factor (Divide line 1 by line 2. Transfer to Part IV, line 4)	(3)	%
Part VIII Determination of the Purchases Factor		
1. Total purchases in Puerto Rico during the taxable year	(1)	00
2. Total purchases everywhere during the taxable year	(2)	00
3. Purchases Factor (Divide line 1 by line 2. Transfer to Part IV, line 5)	(3)	%
Part IX Computation of Income Effectively Connected with a Trade or Business Within Puerto Rico (Applies only to taxpayers subject to the provisions of Reg. Art. 1123(f)-4(g))		
1. Net income from the sale or exchange of personal property manufactured or produced in whole or in part, within Puerto Rico (See instructions) ..	(1)	00
2. Income Effectively Connected with a Trade or Business Within Puerto Rico (Multiply line 1 by 50%. In the case of corporations, transfer to Part I, line 1. In the case of partnerships, transfer to Part II, line 1)	(2)	00

Schedule I (CU)

Rev. 06.19



PARTNER OR MEMBER COMPOSITE RETURN

(To be filed with Form 482(C) or Form 480.20(U))

20__

Taxable year beginning on _____, _____ and ending on _____, _____

Name _____

Taxpayer Identification Number _____

Address _____

Individual Personal Circumstances

Citizen of the United States: Yes No

If Yes:

Personal Exemptions (1 if single, 2 if married) _____

Number of dependents _____

Other Persons

Type of Entity:

Corporation Other _____

Partnership

Place of Incorporation or Organization _____

The undersigned taxpayer under oath, being duly sworn, hereby certifies and agrees as follows:

- 1. The name, taxpayer identification number, address, personal circumstances or place of incorporation are as stated above.
- 2. If an individual, I was not a resident of Puerto Rico during any part of the captioned taxable year.
- 3. I am a partner or member of the pass-through entity described in Item 4.
- 4. Name of Entity: _____
 Entity's Employer Identification Number: _____
 Entity's address: _____

 Type of Entity: Partnership
 Limited liability company (LLC)
 Taxpayer's participation in the entity's income, gains or losses: _____%
- 5. The type of income for which this affidavit and agreement applies is:
 Distributed or undistributed Puerto Rico income from a partnership
 Distributed or undistributed Puerto Rico income from an LLC taxed as a partnership
- 6. I have no other Puerto Rico source income or source of income taxable in Puerto Rico other than from the entity described in item 4.
- 7. I agree to be included in the composite return to be filed by the entity described in item 4, and that any refund resulting thereof be disbursed to said entity.
- 8. I agree do not agree to be taxed at a 30% flat tax rate on my participation on the income treated as effectively connected with a Puerto Rico business pursuant to Act 154 of October 25, 2010, as amended.
- 9. This affidavit applies for the captioned taxable year.

The undersigned understands that any false statement contained herein could be punished by fine, imprisonment or both.

Under penalties of perjury, I declare that I have examined this affidavit and agreement and, to the best of my knowledge and belief, it is true, correct and complete.

Signature of partner, member or duly authorized agent _____

Date _____

Name of duly authorized agent (Print) _____

Title _____

If corporate partner, please indicate name and title of person signing oath.



INCOME TAX RETURN

FORM 480.20(U)

INSTRUCTIONS

WHO MUST FILE THIS RETURN?

This return must be filed by any nonresident foreign corporation or partnership subject to the effectively connected income source rules of Act 154-2010, as amended (Act 154) (the ECISR) to determine the portion of its entire net income that is treated as income from sources within Puerto Rico.

WHEN AND WHERE IT MUST BE FILED?

The return must be filed on or before the fifteenth day of the sixth month following the end of the taxable year.

The return must be filed in the Department of the Treasury, Returns Processing Bureau, located at 10 Paseo Covadonga, Intendente Ramírez Building in Old San Juan, or mailed to:

DEPARTMENT OF THE TREASURY
PO BOX 9022501
SAN JUAN PR 00902-2501

It may also be delivered to any Internal Revenue Collections Office or the Orientation and Return Preparation Centers.

AUTOMATIC EXTENSION OF TIME TO FILE THE RETURN

A six (6) months automatic extension of time to file the return will be granted if it is requested no later than the due date to file the return. This will be done using Form AS 2644.

An extension of time to file the return does not extend the time for the payment of tax or any installment of the same.

OBLIGATION TO PAY ESTIMATED TAX

Every corporation or partnership subject to the ECISR (whether otherwise engaged in trade or business in Puerto Rico or not) must comply with the estimated tax payments requirements of Sections 1061.23 and 1062.07(b) of the Puerto Rico Internal Revenue Code of 2011, as amended (Code), respectively.

The estimated tax payments under the ECISR will be made electronically *only* through the Internal Revenue Integrated System ("SURI", for its Spanish acronym). Any balance due at the end of the taxable year shall be deposited on or before the 15th day of the sixth month following the close of the taxable year, together with this return or the request for automatic extension of time (Form AS 2644).

HEADING OF THE RETURN

If the taxable year of the taxpayer is a calendar year, there is no need to enter the dates on which the taxable year begins and ends. You need only to enter the corresponding year. If it is a fiscal year, you must enter the dates in the spaces provided on the return.

Enter the name, postal address, telephone number and the US federal employer identification number of the taxpayer in the spaces indicated on the return.

The employer identification number is required to process the return. If the taxpayer is a foreign entity that does not have or does not wish to request a federal employer identification number, then an employer identification number must be requested from the PR Department of the Treasury by completing the Controlled Group Registry through the SURI account. For information regarding the registration of Nonresident Member without Employer Identification Number, please refer to Internal Revenue Circular Letter No. 20-18, Part II-B-4-(v).

Enter the date and place of incorporation or organization, as applicable, the type of industry or business (principal business activity). **Use the industrial code list provided on page 5, in order to facilitate the description of the commercial activity and enter the corresponding industrial code.**

Check the applicable box if it is the first or last return you are filing. Also, provide the e-mail address of the contact person of the taxpayer in the space provided.

If the taxpayer wishes to provide a change of address, as of the date of filing the return, check the applicable box and write the new address clearly and legibly on the return. On the other hand, if the change of address is to be made as of any other time during the year, you must use Form SC 2898 (Change of Address). This form is available in our site on the Internet: www.hacienda.pr.gov.

Check the applicable box if it is an amended return or if it is being filed as a Composite Corporation Return or All Partners Return, as described in Administrative Determination No. 12-12 of August 8, 2012.

Indicate the type of entity for income tax purposes by checking the applicable box. Also, indicate the controlled group number assigned by the Puerto Rico Department of the Treasury. This is a required field. **You must enter the controlled group number or the return will not be processed.** For information regarding the registration and management of all groups of related entities, please refer to Internal Revenue Circular Letter No. 20-18 of March 6, 2020 ("IR CL 20-18").

In the case of partnerships, enter the amount of Forms 480.60 EC (Informative Return – Pass-Through Entity) included with the return. A copy of all Forms 480.60 EC remitted to each of the partnership's partners must be included with this return.

For additional information regarding the tax reporting responsibility of partnerships with nonresident partners, please refer to Administrative Determination No. 12-07 of March 14, 2012.

REFUND

Line 1 - Amount Overpaid

If the sum of lines 9 and 11, Part I is less than line 10, transfer to this line the amount of line 12 and indicate the distribution among line 1A (To be credited to estimated tax for next year), 1B (Contribution to the San Juan Bay Estuary Special Fund), 1C (Contribution to the Special Fund for the University of Puerto Rico) or 1D (To be refunded), at the option of the taxpayer.

PAYMENT

Line 2 - Amount of Tax Due

If the sum of lines 9 and 11, Part I is more than line 10, enter the amount of line 12 on this line.

Line 3 - Amount paid with return

Make the check or money order payable to the Secretary of the Treasury. **Indicate the employer identification number and Form 480.20(U).** If you pay in cash, you can do it at any of our Internal Revenue Collections Offices. Make sure to obtain an official receipt from the Collector at the time of payment.

If you filed the return after the filing due date or you requested an extension of time but did not pay the total amount due, you must compute the applicable interests and surcharges from the filing due date to the date on which the return was filed.

INTERESTS, SURCHARGES AND PENALTIES

Interests

The Code provides for the assessment of interests at a 10% annual rate over any tax balance not paid by its due date.

Surcharges

In case that imposition of interests is applicable, a surcharge of 5% of the amount due will be assessed, if the delay in paying exceeds 30 days, but not over 60 days; or 10% of the amount due, if the delay exceeds 60 days.

Penalties

The Code imposes a progressive penalty from 5% to 25% of the total tax for late filing unless you can show reasonable cause for the delay. Also, any person required under the Code to file a return, declaration, certification or report, who fails to file such return, declaration, certification or report, within the term or terms required by the Code or regulations, in addition to other penalties, shall be guilty of a misdemeanor.

Any person who willfully fails to file such return, statement, certificate or report (within the terms established by the corresponding subtitle or by regulations), with the intention to evade or defeat any tax imposed by the Code, in addition to other penalties provided by the Code, shall commit a third degree felony.

In excess of \$75,000, but not over \$125,000	\$3,750 plus 15% of the excess over \$75,000
In excess of \$125,000, but not over \$175,000	\$11,250 plus 16% of the excess over \$125,000
In excess of \$175,000, but not over \$225,000	\$19,250 plus 17% of the excess over \$175,000
In excess of \$225,000, but not over \$275,000	\$27,750 plus 18% of the excess over \$225,000
In excess of \$275,000	\$36,750 plus 19% of the excess of \$275,000

SIGNATURE AND OATH OF THE RETURN

In the case of corporations, the return must be signed by the president, vice-president, treasurer, assistant treasurer, or other principal or finance officer of the corporation. In the case of partnerships, the return must be signed by the managing partner or principal officer of the partnership.

PAYMENT FOR THE PREPARATION OF THE RETURN

Indicate if payments were made for the preparation of the tax return and make sure that the specialist signs the return and includes his/her specialist registration number.

THE CODE PROVIDES CIVIL AND CRIMINAL SANCTIONS TO THOSE INCOME TAX RETURN SPECIALISTS WHO FAIL TO SUBMIT THIS INFORMATION OR WHO DO NOT MEET OTHER STATUTORY REQUIREMENTS.

The specialist must declare under penalty of perjury that he/she examined the return, and to the best of his/her knowledge and belief the return is correct and complete. If the return is prepared by a Certified Public Accountant (CPA) or by a CPA firm duly registered as a specialist, it must include the registration number and be signed by the authorized person.

PART I – COMPUTATION OF TAX – CORPORATIONS

Line 2 - Surtax net income deduction

The surtax deduction of \$25,000 must be allocated among all members of a group of related corporations, that is, a group of related entities that are 50% or more owned, directly or indirectly, by the same person or persons, including any foreign corporation that is engaged, or is deemed engaged, in trade or business in Puerto Rico. If a corporation is a component member of a group of related entities on December 31, the credit allowed to such corporation for the taxable year that includes such December 31, shall be an amount equal to \$25,000 distributed among the corporations that are component members of the group or the applicable amount according to the apportionment plan. The group of related entities must file Form SC 2652 where the deduction distribution shall be reported. This form must be filed electronically through SURI.

For additional information refer to Administrative Determination No. 14-07 of March 12, 2014 and IR CL 20-18.

Line 4 – Normal tax

A 18.5% tax will be levied, collected and paid on the net income subject to normal tax of every corporation. Multiply line 1 by 18.5% and enter the result on this line.

Line 5 – Surtax

Multiply line 3 by the applicable tax rate according to the following table, and enter the result on this line.

Surtax Computation Table for taxable years beginning after December 31, 2012.

If the income subject to surtax is:	The tax will be:
Not over \$75,000	5%

Line 9 - Balance of tax due

Subtract the sum of lines 7 and 8 from line 6 and enter the difference on this line. Otherwise, if the sum of lines 7 and 8 is more than line 6, there is an excess of tax paid or withheld that you must enter on line 10.

Line 10 - Excess of tax paid or withheld

If the sum of lines 7 and 8 is more than line 6, enter the difference on this line.

PART II – DISTRIBUTABLE SHARE – PARTNERSHIPS

Line 1 - Tax Withheld

Every nonresident partnership that is required to file this form, must comply with the withholding requirement imposed under Section 1062.07 of the Code. As so, the nonresident partnership is required to withhold and deposit 30% of the estimated distributable share of its partners in the items of income of the partnership. The payments will be made during the taxable year on a quarterly basis through the SURI account. Any balance due at the end of the taxable year shall be deposited on or before the 15th day of the sixth month following the close of the taxable year, together with this return or the request for automatic extension of time (Form AS 2644). All corporations subject to the ECISR, including the ones subject to the ECISR by virtue of being a partner or member of a partnership (whether otherwise engaged in trade or business in Puerto Rico or not) must comply with the estimated tax payments requirements of Section 1061.23 of the Code. The estimated tax payments under the ECISR will be made through the SURI account.

In this column, enter the 30% tax withheld during the year on the partners' distributable share of the partnership's income, as well as any amount paid with the request for automatic extension of time (Form AS 2644) for this return.

Line 2 – Credit for the purchase of tax credits

Enter here the amount of tax credits acquired by the partnership during the year. Please note that the partnership, as well as its partners are subject to the limitations imposed on the investor from whom the credits were acquired with respect to the taxable years in which the tax credit may be claimed and the maximum amount of credit that can be claimed each taxable year.

The partnership must include with the return a schedule detailing the type of credit, amount, and the date in which the credit was acquired.

PART III – DETERMINATION OF THE ENTIRE NET INCOME OF THE NONRESIDENT FOREIGN CORPORATION OR PARTNERSHIP

Line 1 – Enter the entire net income determined based on the principles of the income tax laws of the jurisdiction in which the nonresident foreign corporation or partnership is organized or created, if the income tax laws of such jurisdiction impose tax based on net income. It is necessary that you submit copy of the tax return filed in such jurisdiction. Corporations and partnerships required to file U.S. Form 1120 or Form 1065 must submit a copy of such forms, as applicable. Corporations that are included in a U.S. consolidated federal income tax return must submit a pro forma Form 1120. It is not necessary to include the Schedules to Form 1120 or Form 1065. If the items were determined in a foreign currency, such items must be converted to U.S. dollars at the payment date. A schedule indicating the conversion to U.S. dollars must be submitted with the return.

In any other case, the entire net income shall be determined based on the principles of the Puerto Rico tax law. Where a taxpayer must compute its entire net income based on the Puerto Rico tax law (because its jurisdiction of organization does not impose a tax based on net income), the taxpayer should prepare a pro forma Puerto Rico tax return and reflect the entire net income figure of such pro forma return on this line. A copy of the pro forma return must be included with the return. Please make sure to label it as "PRO FORMA RETURN". The pro forma return does not need to be notarized before a notary public.

Line 2 – Enter the amount of any royalties included on line 1, that were subject to tax in Puerto Rico during the taxable year, net of any deductions directly or indirectly attributable or allocable to any such royalties.

Line 3 – Enter the amount of any dividends included on line 1, that were received during the taxable year from another member of the controlled group that are made out of earnings and profits earned in Puerto Rico by a person that manufactures or produces tangible property in whole or in part in Puerto Rico or provides manufacturing services in Puerto Rico.

Line 4 – Enter the amount of any net operating losses carryforward that arose in years in which the taxpayer was subject to the provisions of Section 1123(f) of the Puerto Rico Internal Revenue Code of 1994, as amended, provided that the jurisdiction in which the taxpayer is organized imposes an income tax on the taxpayer and that the taxpayer complies with all limitations imposed by that jurisdiction on the use of net operating losses.

PART IV – COMPUTATION OF THE NET INCOME ATTRIBUTABLE TO PUERTO RICO SOURCES

Line 8 – In the case of taxpayers for which an alternative method of allocation has been approved by the Secretary for the taxable year under Article 1123(f)-4(f) of Regulation Number 6257 approved on December 29, 2010 (Regulation 6257), enter the net income attributable to Puerto Rico sources computed under the alternative method on this line. Include a copy of the administrative determination issued by the Secretary as well as a separate statement showing the computation of the Puerto Rico source income based on the alternative method of allocation approved.

PART V – DETERMINATION OF THE PROPERTY FACTOR

Line 1 – Enter the average value of the real and tangible personal property owned and used or rented and used by the nonresident foreign corporation or partnership in Puerto Rico during the taxable year.

The average value of property shall be determined by averaging the value at the beginning and ending of the taxable year. However, the averaging of monthly values during the taxable year should be used if reasonably required to reflect properly the average value of the property of the nonresident foreign corporation or partnership.

Property owned by a nonresident foreign corporation or partnership shall be valued at its original cost plus the cost of additions and improvements.

Property rented by the nonresident foreign corporation or partnership shall be valued at eight times the annual rental rate paid by the nonresident foreign corporation or partnership.

The value of movable tangible personal property used both within and without Puerto Rico shall be included on this line to the extent of its utilization in Puerto Rico. The extent of such utilization shall be determined by multiplying the total value of such property by a fraction, the numerator of which is the number of days of physical location of the property in Puerto Rico during the taxable year and the denominator of which is the number of days of physical location of the property everywhere during the taxable year. The number of days of physical location of the property may be determined on a statistical basis or by such other reasonable method acceptable to the Secretary.

Line 2 – Enter the average value of the real and tangible personal property owned and used or rented and used by the nonresident foreign corporation or partnership everywhere during the taxable year.

PART VI – DETERMINATION OF THE PAYROLL FACTOR

Line 1 – Enter the total amount paid or accrued in Puerto Rico during the tax year by the nonresident foreign corporation or partnership for compensation.

Compensation includes all amounts paid for services rendered, including bonuses, vacation allowances, and fringe benefits.

Compensation is paid or accrued in Puerto Rico when:

- the employee's service is entirely or predominantly performed within Puerto Rico;
- some of the service is performed in Puerto Rico and the base of operations, or, if there is no base of operations, the place from which the service is directed or controlled, is in Puerto Rico; or the base of operations or the place from which the service is directed or controlled is not in any state of the United States or foreign country in which some part of the service is performed, but the employee's residence is in Puerto Rico.

Line 2 – Enter the total amount paid or accrued everywhere during the tax year by the nonresident foreign corporation or partnership for compensation.

PART VII – DETERMINATION OF THE SALES FACTOR

Line 1 – Enter the total sales of the nonresident foreign corporation or partnership in Puerto Rico during the taxable year. *Sales of tangible personal property* are in Puerto Rico if such property is received in Puerto Rico by the purchaser. In the case of delivery by common carrier or other means of transportation, the place at which such property is delivered to such common carrier shall be considered as the place at which such property is received by the purchaser. Direct delivery in Puerto Rico, other than for purposes of transportation, to a person or firm designated by a purchaser, constitutes delivery to the purchaser in Puerto Rico, and direct delivery outside Puerto Rico to a person or firm designated by the purchaser does not constitute delivery to the purchaser in Puerto Rico, regardless of where title passes, or other conditions of sale.

Sales, other than sales of tangible personal property are in Puerto Rico if the income-producing activity is performed in Puerto Rico, or the income producing activity is performed both in and outside Puerto Rico and a greater proportion of the income-producing activity is performed in Puerto Rico than in any other state of the United States or foreign country, based on costs of performance.

Line 2 – Enter the total sales of the nonresident foreign corporation or partnership everywhere during the taxable year, to the extent that such sales are used to produce income.

PART VIII – DETERMINATION OF THE PURCHASES FACTOR

Line 1 – Enter the total purchases of the nonresident foreign corporation or partnership in Puerto Rico during the taxable year.

Purchases of tangible personal property are in Puerto Rico if such property is manufactured or produced in Puerto Rico by a member of the controlled group that includes the purchaser, whether such purchases are made directly or indirectly from the manufacturer or producer, provided, however, that in no event shall purchases of tangible property be considered purchases of property manufactured or produced in Puerto Rico unless the property is manufactured or produced in whole or in part in Puerto Rico within the meaning of Article 1123(f)-4(d)(2) of Regulation 6257. In addition, refer to Article 1123(f)-4(d)(3) of Regulation 6257 to determine whether purchases of tangible personal property that is not manufactured or produced in whole or in part in Puerto Rico by a member of the controlled group that includes the purchaser are considered as purchases of tangible personal property in Puerto Rico.

Purchases, other than purchases of tangible personal property are in Puerto Rico if the income-producing activity of the seller is performed in Puerto Rico, or the income-producing activity of the seller is performed both in and outside Puerto Rico and a greater proportion of the income-producing activity is performed in Puerto Rico than in any state of the United States or foreign country, based on costs of performance.

Line 2 – Enter the total purchases of the nonresident foreign corporation or partnership everywhere during the taxable year, to the extent that such purchases are used to produce income.

PART IX – COMPUTATION OF INCOME EFFECTIVELY CONNECTED WITH A TRADE OR BUSINESS WITHIN PUERTO RICO

This part must be completed by those taxpayers subject to the provisions of Article 1123(f)-4(g) of Regulation 6257 or those whose alternative method under Article

1123(f)-4(f) of Regulation 6257 is based on the allocation method of Article 1123(f)-4(g).

Line 1 – Enter the portion of the taxpayer’s income from the sale or exchange without Puerto Rico of personal property manufactured or produced in whole or in part within Puerto Rico net of any directly or indirectly allocated expenses to this income. A separate statement should be included with the return showing the computation of the amount entered on this line. Include a copy of the income tax return filed in the jurisdiction in which the taxpayer is organized or created. If such jurisdiction does not impose a tax based on net income, the taxpayer should prepare a pro forma Puerto Rico income tax return. A copy of the pro forma return must be included with the return. Please make sure to label it as “PRO FORMA RETURN”. The pro forma return does not need to be notarized before a notary public.

For additional information, please refer to Regulation 6257 and Informative Bulletin No. 11-08 and Administrative Determination No. 12-12 of August 8, 2012.

INDUSTRIAL CODES

11 Agriculture, forestry, fishing and hunting	3251 Basic Chemical Manufacturing	4219 Miscellaneous Durable Goods
111 Oilseed and Grain Farming	3252 Resin, Synthetic Rubber, and Artificial and Synthetic Fibers	4221 Paper and Paper Product
112 Vegetable and Melon Farming	3253 Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing	4222 Drugs and Druggists' Sundries
113 Fruit and Tree Nut Farming	3254 Pharmaceutical and Medicine Manufacturing	4223 Apparel, Piece Goods, and Notion
114 Greenhouse, Nursery, and Floriculture Production	3255 Paint, Coating, and Adhesive Manufacturing	4224 Grocery and Related Product
119 Other Crop Farming	3256 Soap, Cleaning Compound, and Toilet Preparation Manufacturing	4225 Farm Product Raw Material
121 Cattle Ranching and Farming	3259 Other Chemical Product and Preparation Manufacturing	4226 Chemical and Allied Products
122 Hog and Pig Farming	3261 Plastics Product Manufacturing	4227 Petroleum and Petroleum Products
123 Poultry and Egg Production	3262 Rubber Product Manufacturing	4228 Beer, Wine, and Distilled Alcoholic Beverage
124 Sheep and Goat Farming	3271 Clay Product and Refractory Manufacturing	4229 Miscellaneous No durable Goods
125 Animal Aquaculture	3272 Glass and Glass Product Manufacturing	44-45 Retail Trade
132 Forest Nurseries and Gathering of Forest Products	3273 Cement and Concrete Product Manufacturing	4411 Automobile Dealers
133 Logging	3274 Lime and Gypsum Product Manufacturing	4412 Other Motor Vehicle Dealers
142 Hunting and Trapping	3279 Other Nonmetallic Mineral Product Manufacturing	4413 Automotive Parts, Accessories, and Tire Stores
151 Support Activities for Crop Production	3311 Iron and Steel Mills and Ferroalloy Manufacturing	4421 Furniture Stores
152 Support Activities for Animal Production	3312 Steel Product Manufacturing from Purchased Steel	4422 Home Furnishings Stores
153 Support Activities for Forestry	3313 Alumina and Aluminum Production and Processing	4431 Electronics and Appliance Stores
21 Mining	3314 Nonferrous Metal (except Aluminum) Production and Processing	4441 Building Material and Supplies Dealers
2121 Coal Mining	3315 Foundries	4442 Lawn and Garden Equipment and Supplies Stores
2122 Metal Ore Mining	3321 Forging and Stamping	4451 Grocery Stores
2123 Nonmetallic Mineral Mining and Quarrying	3322 Cutlery and Hand tool Manufacturing	4452 Specialty Food Stores
2131 Support Activities for Mining	3323 Architectural and Structural Metals Manufacturing	4453 Beer, Wine, and Liquor Stores
22 Utilities	3324 Boiler, Tank, and Shipping Container Manufacturing	4461 Health and Personal Care Stores
2211 Electric Power Generation, Transmission and Distribution	3325 Hardware Manufacturing	4471 Gasoline Stations
2212 Natural Gas Distribution	3326 Spring and Wire Product Manufacturing	4481 Clothing Stores
2222 Water Distribution	3327 Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing	4483 Jewelry, Luggage, and Leather Goods Stores
23 Construction	3328 Coating, Engraving, Heat Treating, and Allied Activities	4511 Sporting Goods, Hobby, and Musical Instrument Stores
2331 Land Subdivision and Land Development	3329 Other Fabricated Metal Product Manufacturing	4512 Book, Periodical, and Music Stores
2333 Nonresidential Building Construction	3331 Agriculture, Construction, and Mining Machinery Manufacturing	4521 Department Stores
2341 Highway, Street, Bridge, and Tunnel Construction	3332 Industrial Machinery Manufacturing	4529 Other General Merchandise Stores
2349 Other Heavy Construction	3333 Commercial and Service Industry Machinery Manufacturing	4531 Florists
2351 Plumbing, Heating, and Air-Conditioning Contractors	3334 Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing	4532 Office Supplies, Stationery, and Gift Stores
2352 Painting and Wall Covering Contractors	3335 Metalworking Machinery Manufacturing	4533 Used Merchandise Stores
2353 Electrical Contractors	3336 Engine, Turbine, and Power Transmission Equipment Manufacturing	4539 Other Miscellaneous Store Retailers
2355 Carpentry and Floor Contractors	3339 Other General Purpose Machinery Manufacturing	4541 Electronic Shopping and Mail-Order Houses
2356 Roofing, Siding, and Sheet Metal Contractors	3341 Computer and Peripheral Equipment Manufacturing	4542 Vending Machine Operators
2357 Concrete Contractors	3342 Communications Equipment Manufacturing	4543 Direct Selling Establishments
2358 Water Well Drilling Contractors	3343 Audio and Video Equipment Manufacturing	48-49 Transportation and Warehousing
2359 Other Special Trade Contractors	3344 Semiconductor and Other Electronic Component Manufacturing	4811 Scheduled Air Transportation
31-33 Manufacturing	3345 Navigational, Measuring, Electro medical, and Control Instruments Manufacturing	4812 Nonscheduled Air Transportation
3111 Animal Food Manufacturing	3346 Manufacturing and Reproducing Magnetic and Optical Media	4821 Rail Transportation
3112 Grain and Oilseed Milling	3351 Electric Lighting Equipment Manufacturing	4831 Deep Sea, Coastal, and Great Lakes Water Transportation
3113 Sugar and Confectionery Product Manufacturing	3352 Household Appliance Manufacturing	4832 Inland Water Transportation
3115 Dairy Product Manufacturing	3353 Electrical Equipment Manufacturing	4841 General Freight Trucking
3116 Animal Slaughtering and Processing	3359 Other Electrical Equipment and Component Manufacturing	4842 Specialized Freight Trucking
3117 Seafood Product Preparation and Packaging	3361 Motor Vehicle Manufacturing	4851 Urban Transit Systems
3118 Bakeries and Tortilla Manufacturing	3362 Motor Vehicle Body and Trailer Manufacturing	4852 Interurban and Rural Bus Transportation
3121 Beverage Manufacturing	3363 Motor Vehicle Parts Manufacturing	4853 Taxi and Limousine Service
3122 Tobacco Manufacturing	3364 Aerospace Product and Parts Manufacturing	4855 Charter Bus Industry
3132 Fabric Mills	3365 Railroad Rolling Stock Manufacturing	4859 Other Transit and Ground Passenger Transportation
3133 Textile and Fabric Finishing and Fabric Coating Mills	3366 Ship and Boat Building	4861 Pipeline Transportation of Crude Oil
3141 Textile Furnishings Mills	3369 Other Transportation Equipment Manufacturing	4862 Pipeline Transportation of Natural Gas
3149 Other Textile Product Mills	3371 Household and Institutional Furniture and Kitchen Cabinet	4872 Scenic and Sightseeing Transportation, Land
3152 Cut and Sew Apparel Manufacturing	3372 Office Furniture (including Fixtures) Manufacturing	4881 Support Activities for Air Transportation
3159 Apparel Accessories and Other Apparel Manufacturing	3379 Other Furniture Related Product Manufacturing	4882 Support Activities for Rail Transportation
3161 Leather and Hide Tanning and Finishing	3391 Medical Equipment and Supplies Manufacturing	4883 Support Activities for Water Transportation
3162 Footwear Manufacturing	3399 Other Miscellaneous Manufacturing	4884 Support Activities for Road Transportation
3169 Other Leather and Allied Product Manufacturing	42 Wholesale Trade	4885 Freight Transportation Arrangement
3211 Sawmills and Wood Preservation	4211 Motor Vehicle and Motor Vehicle Parts and Supplies	4889 Other Support Activities for Transportation
3212 Veneer, Plywood, and Engineered Wood Product Manufacturing	4212 Furniture and Home Furnishing	4911 Postal Service
3221 Converted Paper Product Manufacturing	4213 Lumber and Other Construction Materials	4921 Couriers
3231 Printing and Related Support Activities	4214 Professional and Commercial Equipment and Supplies	4922 Local Messengers and Local Delivery
3241 Petroleum and Coal Products Manufacturing	4215 Metal and Mineral (except Petroleum)	51 Information
	4216 Electrical Goods	5111 Newspaper, Periodical, Book, and others Publishers
	4217 Hardware, and Plumbing and Heating Equipment and Supplies	5112 Software Publishers
	4218 Machinery, Equipment, and Supplies	

5121 Motion Picture and Video Industries	6214 Outpatient Care Centers
5122 Sound Recording Industries	6215 Medical and Diagnostic Laboratories
5131 Radio and Television Broadcasting	6216 Home Health Care Services
5132 Cable Networks and Program Distribution	6219 Other Ambulatory Health Care Services
5133 Telecommunications	6221 General Medical and Surgical Hospitals
5141 Information Services	6222 Psychiatric and Substance Abuse Hospitals
5142 Data Processing Services	6231 Nursing Care Facilities
52 Finance and Insurance	6232 Residential Mental Retardation, Mental Health and Substance Abuse Facilities
5221 Depository Credit Intermediation	6233 Community Care Facilities for the Elderly
5222 No Depository Credit Intermediation	6239 Other Residential Care Facilities
5223 Activities Related to Credit Intermediation	6242 Community Food and Housing, and Emergency and Other Relief Services
5231 Securities and Commodity Contracts Intermediation and Brokerage	6243 Vocational Rehabilitation Services
5239 Other Financial Investment Activities	6244 Child Day Care Services
5241 Insurance Carriers	71 Arts, Entertainment, and Recreation
5242 Agencies, Brokerages, and Other Insurance Related Activities	7111 Performing Arts Companies
5251 Insurance and Employee Benefit Funds	7112 Spectator Sports
5259 Other Investment Pools and Funds	7113 Promoters of Performing Arts, Sports, and Similar Events
53 Real Estate and Rental and Leasing	7114 Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures
5311 Lessors of Real Estate	7115 Independent Artists, Writers, and Performers
5312 Offices of Real Estate Agents and Brokers	7121 Museums, Historical Sites, and Similar Institutions
5313 Activities Related to Real Estate	7131 Amusement Parks and Arcades
5321 Automotive Equipment Rental and Leasing	7132 Gambling Industries
5322 Consumer Goods Rental	7139 Other Amusement and Recreation Industries
5323 General Rental Centers	72 Accommodation and Food Services
5324 Commercial and Industrial Machinery and Equipment Rental and Leasing	7211 Traveler Accommodation
5331 Lessors of Non-financial Intangible Assets (except Copyrighted Works)	7212 Recreational Vehicle Parks and Camps
54 Professional, Scientific, and Technical Services	7213 Rooming and Boarding Houses
5411 Legal Services	7221 Full-Service Restaurants
5412 Accounting, Tax Preparation, Bookkeeping, and Payroll Services	7222 Limited-Service Eating Places
5413 Architectural, Engineering, and Related Services	7223 Special Food Services
5414 Specialized Design Services	7224 Drinking Places (Alcoholic Beverages)
5415 Computer Systems Design and Related Services	81 Other Services (except Public Administration)
5416 Management, Scientific, and Technical Consulting Services	8111 Automotive Repair and Maintenance
5417 Scientific Research and Development Services	8112 Electronic and Precision Equipment Repair and Maintenance
5418 Advertising and Related Services	8113 Commercial and Industrial Machinery and Equipment Repair
5419 Other Professional, Scientific, and Technical Services	8114 Personal and Household Goods Repair and Maintenance
55 Management of Companies and Enterprises	8121 Personal Care Services
5511 Management of Companies and Enterprises	8122 Death Care Services
56 Administrative and Support and Waste Management and Remediation Services	8123 Dry-cleaning and Laundry Services
5611 Office Administrative Services	8129 Other Personal Services
5612 Facilities Support Services	8131 Religious Organizations
5614 Business Support Services	8132 Grant making and Giving Services
5615 Travel Arrangement and Reservation Services	8133 Social Advocacy Organizations
5616 Investigation and Security Services	8134 Civic and Social Organizations
5617 Services to Buildings and Dwellings	8139 Business, Professional, Labor, Political, and Similar Organizations
5619 Other Support Services	8141 Private Households
5621 Waste Collection	
5629 Remediation and Other Waste Management Services	
61 Educational Services	
6111 Elementary and Secondary Schools	
6112 Junior Colleges	
6113 Colleges, Universities, and Professional Schools	
6114 Business Schools and Computer and Management Training	
6115 Technical and Trade Schools	
6116 Other Schools and Instruction	
6117 Educational Support Services	
62 Health Care and Social Assistance	
6211 Offices of Physicians	
6212 Offices of Dentists	
6213 Offices of Other Health Practitioners	