### 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)

**Field audited by:**

**Liquidator:**

**Date:** __/__/__

**R M N**

**Reviewed:**

**Serial Number**

20__

#### GO TO PAGE 2 TO DETERMINE YOUR REFUND OR PAYMENT.

1. **AMOUNT OVERPAID** (Part I, line 12. Indicate distribution on lines A, B, C and D) .............................................
   - A) To be credited to estimated tax for next year ..........................................................
   - B) Contribution to the San Juan Bay Estuary Special Fund ...........................................
   - C) Contribution to the Special Fund for the University of Puerto Rico ..........................
   - D) TO BE REFUNDED ....................................................................................

2. **AMOUNT OF TAX DUE** (Part I, line 12) ...........................................................................................................

3. Less: Amount paid
   - (a) With Return ..............................................................................................................
   - (b) Interests (See instructions) .........................................................................................
   - (c) Surcharges and Penalties (See instructions) .............................................................

4. **BALANCE OF TAX DUE** (Subtract line 3(a) from line 2 and add lines 3(b) and 3(c)) ........................................

**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**

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**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.

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**NOTE TO TAXPAYER**

Indicate if you made payments for the preparation of your return: Yes No. If you answered "Yes", require the Specialist's signature and registration number.
### 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)
2. Less: Surtax net income deduction (Check here if comes from Form AS 2652.1) ................................................................. (2)
3. Net income subject to surtax (Subtract line 2 from line 1) ............................................................................................................. (3)
4. Normal Tax (Multiply line 1 by 18.5%) .................................................................................................................................. (4)
5. Surtx (See instructions) ......................................................................................................................................................... (5)
6. Total Tax Determined (Add lines 4 and 5) ............................................................................................................................... (6)
7. Tax credits (Schedule B Corporation, Part II, line 23) ............................................................................................................... (7)
8. Other Payments and Withholdings (Schedule B Corporation, Part III, line 1) .................................................................................. (8)
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)
10. Excess of tax paid or withheld (See instructions) .................................................................................................................... (10)
11. Addition to the tax for failure to pay estimated tax (Schedule T Corporation, Part II, line 21) ................................................................................. (11)
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 line 10 is more than the sum of lines 9 and 11, there is an excess of tax paid or withheld that you must enter on line 10) ............................................................................................................. (12)

### Part II - Distributable Share - Partnerships

<table>
<thead>
<tr>
<th>Amount</th>
<th>Tax Withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net income attributable to Puerto Rico sources (Part IV, line 8 or Part IX, line 2, as applicable. See instructions)</td>
<td>(1)</td>
</tr>
<tr>
<td>2. Credit for the purchase of tax credits (Submit detail)</td>
<td>(2)</td>
</tr>
</tbody>
</table>

### 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)
2. Royalties (See instructions) .................................................................................................................................................. (2)
3. Dividends (See instructions) ............................................................................................................................................. (3)
4. Net Operating Losses (See instructions) ............................................................................................................................... (4)
5. Total Adjustments (Add lines 2 through 4) ........................................................................................................................... (5)
6. Entire net income of the nonresident foreign corporation or partnership (Subtract line 5 from line 1) ........................................... (6)

### 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)
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)

### 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)
2. Average value of the real and tangible personal property used everywhere during the taxable year .................................................. (2)
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)
2. Total compensation paid or accrued everywhere during the taxable year ................................................................................... (2)
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)
2. Total sales everywhere during the taxable year ........................................................................................................................ (2)
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)
2. Total purchases everywhere during the taxable year ................................................................................................................ (2)
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)
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)
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.

<table>
<thead>
<tr>
<th>Name of partner, member or duly authorized agent</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of duly authorized agent (Print)</td>
<td>Title</td>
</tr>
</tbody>
</table>

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 Ramirez 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

You must indicate the dates on which the taxable year begins and ends in the space provided in the heading under the title of the return. In the box of Taxable Year, you must check the applicable alternative. If it is a 52–53-week year, you must enter the dates on which the taxable year begins and ends in the space provided for it. Similarly, in case that the entity files a return for a period of less than twelve months, you must indicate the date on which the taxable year begins and ends.

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.

Select the corresponding box if the entity is a Large Taxpayer, according to Section 1010.01(a)(35) of the Code. For purposes of determining the volume of business required in subsection (G) of said section, the aggregated volume of business of all members of the group of related entities, will be determined, as said term is defined in Section 1010.05.

Check the applicable box if it is the first or last return you are filing and if you have requested a change of period during the taxable year. 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. You can also change your address at any time of the year through your account in SURI following the steps listed below: (i) Log in your SURI account; (ii) In the Names and Addresses menu, select the address you want to change and click on the Change this address link; (iii) Enter the new address and click on the Verify Address link; (iv) Once the address is validated, click on the Next option to continue with the next screen; (v) On the Review and Submit screen, make sure to click on the Submit link. The system will provide you a confirmation number of the change of address request. We encourage you to keep this number in your records.

If you don’t have a SURI account, and you do not have to file the return yet, you must notify any change of address using Form SC 2898 (Change of Address). Said 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 without 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,
INSTRUCTIONS FORM 480.20(U)
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.

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:

<table>
<thead>
<tr>
<th>Income Subject to Surtax</th>
<th>Tax Will Be:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $75,000</td>
<td>5%</td>
</tr>
<tr>
<td>In excess of $75,000, but not over $125,000</td>
<td>$3,750 plus 15% of the excess over $75,000</td>
</tr>
<tr>
<td>In excess of $125,000, but not over $175,000</td>
<td>$11,250 plus 16% of the excess over $125,000</td>
</tr>
<tr>
<td>In excess of $175,000, but not over $225,000</td>
<td>$19,250 plus 17% of the excess over $175,000</td>
</tr>
<tr>
<td>In excess of $225,000, but not over $275,000</td>
<td>$27,750 plus 18% of the excess over $225,000</td>
</tr>
<tr>
<td>In excess of $275,000</td>
<td>$36,750 plus 19% of the excess over $275,000</td>
</tr>
</tbody>
</table>

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 14.

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 approved by the Secretary 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 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 the purchaser constitutes delivery 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 are subject to tax in Puerto Rico.
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.
INSTRUCTIONS FORM 480.20(U)

INDUSTRIAL CODES

11 Agriculture, forestry, fishing and hunting
1111 Oilseed and Grain Farming
1112 Vegetable and Melon Farming
1113 Fruit and Tree Nut Farming
1114 Greenhouse, Nursery, and Floriculture Production
1115 Other Crop Farming
1121 Cattle Ranching and Farming
1122 Hog and Pig Farming
1123 Poultry and Egg Production
1124 Sheep and Goat Farming
1125 Animal Aquaculture
1132 Forest Nurseries and Gathering of Forest Products
1133 Logging
1141 Fishing
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1152 Support Activities for Animal Production
1153 Support Activities for Forestry

21 Mining
2111 Coal Mining
2112 Metal Ore Mining
2113 Nonmetallic Mineral Mining and Quarrying
2113 Support Activities for Mining

22 Utilities
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2212 Natural Gas Distribution
2213 Water Distribution

23 Construction
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2331 Nonresidential Building Construction
2341 Highway, Street, Bridge, and Tunnel Construction
2349 Other Heavy Construction
2351 Plumbing, Heating, and Air-Conditioning Contractors
2352 Painting and Wall Covering Contractors
2353 Electrical Contractors
2354 Plumbing, Heating, and Air-Conditioning Contractors
2356 Water Well Drilling Contractors
2359 Other Special Trade Contractors

31-33 Manufacturing
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3112 Grain and Oilseed Milling
3113 Sugar and Confectionery Product Manufacturing
3114 Dairy Product Manufacturing
3115 Animal Slaughtering and Processing
3116 Seafood Product Preparation and Packaging
3117 Bakers and Tortilla Manufacturing
3119 Other Food Manufacturing
3121 Beverage Manufacturing
3121 Tobacco Manufacturing
3121 Fabric Mills
3123 Textile and Fabric Finishing and Fabric Coating Mills
3141 Textile Furnishings Mills
3149 Other Textile Product Mills
3151 Apparel Knitting Mills
3152 Cut and Sew Apparel Manufacturing
3159 Apparel Accessories and Other Apparel Manufacturing
3161 Leather and Hide Tanning and Finishing
3162 Footwear Manufacturing
3169 Other Leather and Allied Product Manufacturing
3181 Sawmills and Wood Preservation
3182 veneer, Plywood, and Engineered Wood Product Manufacturing
3182 Converted Paper and Wood Product Manufacturing
3183 Printing and Related Support Activities
3184 Petroleum and Coal Products Manufacturing

3211 Basic Chemical Manufacturing
3212 Resin, Synthetic Rubber, and Artificial and Synthetic Fibers
3213 Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing
3214 Pharmaceutical and Medicine Manufacturing
3215 Paint, Coating, and Adhesive Manufacturing
3216 Soap, Cleaning Compound, and Toilet Preparation Manufacturing
3217 Other Chemical Product and Preparation Manufacturing
3218 Plastics Product Manufacturing
3219 Rubber Product Manufacturing
3219 Clay Product and Refractory Manufacturing
3219 Glass and Glass Product Manufacturing
3219 Cement and Concrete Product Manufacturing
3219 Lime and Gypsum Product Manufacturing
3219 Nonmetallic Mineral Product Manufacturing
3219 Iron and Steel Mills and Ferroalloy Manufacturing
3219 Steel Product Manufacturing from Purchased Steel
3219 Alumina and Aluminium Product Manufacturing
3219 Nonferrous Metal (except Aluminum) Production and Processing
3219 Foundries
3221 Forging and Stamping
3222 Cutlery and Hand Tool Manufacturing
3223 Architectural and Structural Metal Products Manufacturing
3224 Boiler, Tank, and Shipping Container Manufacturing
3225 Hardware Manufacturing
3226 Spring and Wire Product Manufacturing
3227 Machine Shops, Turned Product, and Screw, Nut, and Bolt Manufacturing
3228 Coating, Engraving, Heat Treating, and Allied Activities
3229 Other Fabricated Metal Product Manufacturing
3231 Agriculture, Construction, and Mining Machinery Manufacturing
3232 Industrial Machinery Manufacturing
3233 Commercial and Service Industry Machinery Manufacturing
3234 Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing
3235 Metalworking Machinery Manufacturing
3236 Engine, Turbine, and Power Transmission Equipment Manufacturing
3239 Other General Purpose Machinery Manufacturing
3241 Computer and Peripheral Equipment Manufacturing
3242 Communications Equipment Manufacturing
3243 Audio and Video Equipment Manufacturing
3244 Semiconductor and Other Electronic Component Manufacturing
3245 Navigational, Measuring, Electro medical, and Control Instruments Manufacturing
3246 Manufacturing and Reproducing Magnetic and Optical Media
3251 Electric Lighting Equipment Manufacturing
3252 Household Appliance Manufacturing
3253 Electrical Equipment Manufacturing
3254 Other Electric Equipment and Component Manufacturing
3261 Motor Vehicle Manufacturing
3262 Motor Vehicle Body and Trailer Manufacturing
3263 Motor Vehicle Parts Manufacturing
3264 Aerospace Product and Parts Manufacturing
3265 Railroad Rolling Stock Manufacturing
3266 Ship and Boat Building
3269 Other Transportation Equipment Manufacturing
3271 Household and Institutional Furniture and Kitchen Cabinet
3272 Office Furniture (including Fixtures) Manufacturing
3279 Other Furniture Related Product Manufacturing
3281 Medical Equipment and Supplies Manufacturing
3289 Other Miscellaneous Manufacturing

42 Wholesale Trade
4211 Motor Vehicle and Motor Vehicle Parts and Supplies
4212 Furniture and Home Furnishing
4213 Lumber and Other Construction Materials
4214 Professional and Commercial Equipment and Supplies
4215 Metal and Mineral (except Petroleum)
4216 Electrical Goods
4217 Hardware, and Plumbing and Heating Equipment and Supplies
4218 Machinery, Equipment, and Supplies
4219 Miscellaneous Durable Goods
4221 Paper and Paper Product
4222 Drugs and Druggists' Sundries
4223 Apparel, Piece Goods, and Notion
4224 Grocery and Related Product
4225 Farm Product Raw Material
4226 Chemical and Allied Products
4227 Petroleum and Petroleum Products
4228 Beer, Wine, and Distilled Alcoholic Beverage
4229 Miscellaneous Non Durable Goods

44-45 Retail Trade
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4412 Other Motor Vehicle Dealers
4413 Automotive Parts, Accessories, and Tire Stores
4421 Furniture Stores
4422 Home Furnishings Stores
4431 Electronics and Appliance Stores
4441 Building Material and Supplies Dealers
4451 Grocery Stores
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4453 Beer, Wine, and Liquor Stores
4461 Health and Personal Care Stores
4471 Gasoline Stations
4481 Clothing Stores
4482 Jewelry, Luggage, and Leather Goods Stores
4511 Sporting Goods, Hobby, and Musical Instrument Stores
4512 Book, Periodical, and Music Stores
4521 Department Stores
4529 Other General Merchandise Stores
4531 Florists
4532 Office Supplies, Stationery, and Gift Stores
4533 Used Merchandise Stores
4539 Other Miscellaneous Store Retailers
4541 Electronic Shopping and Mail-Order Houses
4542 Vending Machine Operators
4543 Direct Selling Establishments

49-50 Transportation and Warehousing
4911 Scheduled Air Transportation
4912 Nonscheduled Air Transportation
4921 Rail Transportation
4922 Nonscheduled Air Transportation
4923 Airports
4924 Airports
4931 Deep Sea, Coastal, and Great Lakes Water Transportation
4932 Inland Water Transportation
4941 General Freight Trucking
4942 Specialized Freight Trucking
4943 Local and Long-Distance Trucking
4944 Support Activities for Transportation
4945 Airport and Airways Support Activities
4946 Airports
4951 Urban Transit Systems
4952 Intercity and Rural Bus Transportation
4953 Taxi and Limousine Service
4954 Charter Bus Industry
4959 Other Transit and Ground Passenger Transportation
4961 Pipeline Transportation of Crude Oil
4962 Pipeline Transportation of Natural Gas
4963 Truck Transportation,except Line Haul
4964 Support Activities for Truck Transportation
4965 Support Activities for Air Transportation
4966 Support Activities for Rail Transportation
4967 Support Activities for Water Transportation
4968 Support Activities for Road Transportation
4969 Freight Transportation Arrangement
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4971 Postal Service
4971 Couriers
4972 Local Messengers and Local Delivery

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