



INFORMATIVE RETURN - PASS-THROUGH ENTITY

1 PARTNERSHIP 2 SPECIAL PARTNERSHIP 3 CORPORATION OF INDIVIDUALS

Partner's or Stockholder's Distributable Share on Income, Losses and Credits

Taxable year beginning on .20 and ending on .20

Control Number

Control No. of Original Informative Return

Indicate the form with respect to which this Informative Return is prepared: 1 480.20(EC) 2 480.10(SC) 3 480.20(U)

Name of Partner, Stockholder or Member Social Security or Employer Identification No. of Partner, Stockholder or Member AMENDED (Day Month Year)

Address

Entity's Name Entity's Employer Identification No. Type of Industry

Address

Part I INFORMATION OF THE PARTNER, STOCKHOLDER OR MEMBER

A. 1. Managing Partner 2. Limited Partner 3. Unlimited Partner B. TYPE: 1. Individual 2. Trust 3. Estate 4. Partnership 5. Special Partnership 6. Corporation C. STATUS: 1. Resident 2. Nonresident D. Share percentage on: 1. Losses 2. Gains E. Portion of current debts from the Entity assumed by the partners or stockholders. 1. Guaranteed: 2. Non guaranteed: F. Debts attributable to partners of the Partnership or Special Partnership under Act 78-1993 and Act No. 52 of 1983. Guaranteed: G. Indicate if the Entity elected the exemption under the following acts: 1. Act No. 52 of 1983 2. Act No. 47 of 1987 3. Act 78-1993 4. Act 225-1995 5. Act 73-2008 6. Act 362-1999 7. Act 74-2010 8. Act 83-2010 9. Act 132-2010 10. Act 27-2011 11. Act 20-2012 12. Act 135-1997 13. Other H. Entity's merchant registration number: I. Subject to Act 154-2010 (Applies only to partnerships) Yes No J. Indicate if it is an Investor Special Partnership Yes No

FOR THE USE OF THE PARTNER, STOCKHOLDER OR MEMBER

CHECK HERE Election for the application of Section 1114.06(b) or 1115.04(c) of the Puerto Rico Internal Revenue Code of 2011, as amended. (Option to treat certain items as ordinary income (or loss)). \$ (See instructions)

Part II ANALYSIS OF CAPITAL ACCOUNT OF THE PARTNER, STOCKHOLDER OR MEMBER

Table with 6 columns: (a) Capital contributions made during the year, (b) Other increases to basis (Submit detail), (c) Partner's or stockholder's distributable share on the gain or loss from the Entity, (d) Partner's or stockholder's debts assumed and guaranteed by the Entity, (e) Withdrawals and distributions, (f) Other decreases to basis

Part III DISTRIBUTABLE SHARE PER CATEGORY

Table with 3 columns: Description, Amount, Tax Withheld. Rows include: 1. Net long-term gain (or loss) on sale or exchange of capital assets, 2. Net short-term gain (or loss) on sale or exchange of capital assets, 3. Net gain (or loss) on sale or exchange of substantially all assets dedicated to an activity under Act 78-1993, 4. Net gain (or loss) on sale or exchange of property used in the business, 5. Net income (or loss) from the entity's trade or business, 6. Net income (or loss) from partially exempt income, 7. Net income (or loss) from income subject to a preferential rate, 8. Eligible distribution of dividends from corporations, 9. Distributions of dividends subject to % withholding, 10. Interest income from deposits in financial institutions subject to withholding, 11. Interest income from deposits in financial institutions not subject to withholding, 12. Other interests subject to withholding at the 10% rate, 13. Other interests subject to % withholding, 14. Distributable share on gain from a partnership or special partnership owned by the entity, 15. Distributable share on loss from a partnership or special partnership owned by the entity, 16. Others, 17. Exempt income (Schedule IE Pass-Through Entity), 18. Exempt income subject to alternate basic tax (Schedule IE Pass-Through Entity), 19. Adjustment for purposes of the alternate basic tax, 20. Adjustment for purposes of the alternative minimum tax, 21. Charitable contributions (Applies only to partnerships), 22. Volume of business

**Part IV NONRESIDENT ALIENS PARTNERS OR STOCKHOLDERS**

	Amount	Tax Withheld
1. Distributable share on net income from the special partnership or corporation of individuals ..... (1)	00	00

**Part V CREDITS**

1. Credit for tax withheld at source from Industrial Development dividends (Act No. 8 of 1987) ..... (1)	00
2. Credit for increase in investment (See instructions) ..... (2)	00
3. Credit attributable to losses or for investment in Capital Investment Funds, Tourism Funds or other funds or directly (Schedules Q and Q1) ..... (3)	00
4. Credit for the purchase of tax credits (Complete Part VII) (See instructions)..... (4)	00
5. Credit for investment in Film Industry Development (Act 27-2011): <input type="checkbox"/> 1 Film Project and/or <input type="checkbox"/> 2 Infrastructure Project (See instructions)..... (5)	00
6. Credit for the purchase or transmission of television programming made in P.R. (Section 1051.14) (See instructions) ..... (6)	00
7. Credit for contributions to former governors foundations..... (7)	00
8. Credit to investors who acquire an exempt business that is in the process of closing its operations in Puerto Rico (Act 109-2001) (See instructions) (8)	00
9. Credit for purchases of products manufactured in Puerto Rico and Puerto Rican agricultural products (Schedule B1 Pass-Through Entity)..... (9)	00
10. Credit for contributions to Santa Catalina's Palace Patronage (See instructions) ..... (10)	00
11. Credit for the establishment of an eligible conservation easement or donation of eligible land (Act 183-2001) (See instructions)..... (11)	00
12. Credit for construction investment in urban centers (Act 212-2002) (See instructions) ..... (12)	00
13. Credit for merchants affected by urban centers revitalization (Act 212-2002) (See instructions) ..... (13)	00
14. Credit for investment Act 73-2008 (See instructions) ..... (14)	00
15. Credit for investment Act 83-2010 (See instructions) ..... (15)	00
16. Other credits not included on the preceding lines (See instructions) ..... (16)	00

**Part VI TAXES PAID TO FOREIGN COUNTRIES AND THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS**

	Foreign Country, Territory or Possession of the United States			United States	Total
	A	B	C		
Name of the country, territory or possession .....					
1. Net income from sources within the country, territory or possession .. (1)	00	00	00	00	00
2. Tax paid during the year ..... (2)	00	00	00	00	00

**Part VII BREAKDOWN OF THE PURCHASE OF TAX CREDITS**

Check the box corresponding to the act (or acts) under which you acquired the credit and enter the amount:

1. <input type="checkbox"/> Tourism Development ..... (1)	00
2. <input type="checkbox"/> Solid Waste Disposal ..... (2)	00
3. <input type="checkbox"/> Capital Investment Fund ..... (3)	00
4. <input type="checkbox"/> Theatrical District of Santurce ..... (4)	00
5. <input type="checkbox"/> Film Industry Development ..... (5)	00
6. <input type="checkbox"/> Housing Infrastructure ..... (6)	00
7. <input type="checkbox"/> Construction or Rehabilitation of Rental Housing Projects for Low or Moderate Income Families ..... (7)	00
8. <input type="checkbox"/> Acquisition of an Exempt Business that is in the Process of Closing its Operations in Puerto Rico ..... (8)	00
9. <input type="checkbox"/> Conservation Easement ..... (9)	00
10. <input type="checkbox"/> Revitalization of Urban Centers ..... (10)	00
11. <input type="checkbox"/> Economic Incentives (Research and Development) ..... (11)	00
12. <input type="checkbox"/> Economic Incentives (Strategic Projects) ..... (12)	00
13. <input type="checkbox"/> Economic Incentives (Industrial Investment) ..... (13)	00
14. <input type="checkbox"/> Green Energy Incentives (Research and Development) ..... (14)	00
15. <input type="checkbox"/> Other: ..... (15)	00
16. Total credit for the purchase of tax credits (Same as Part V, line 4) ..... (16)	00

**Part VIII DISTRIBUTABLE SHARE ON THE NET INCOME SUBJECT TO PREFERENTIAL RATES**

Tax Responsibility	Net Income	Tax Determined
1. Schedule V Pass-Through Entity (Taxed at _____ %) ..... (1)	00	00
2. Schedule W Pass-Through Entity (Taxed at _____ %) ..... (2)	00	00
3. Schedule X Pass-Through Entity (Taxed at _____ %) ..... (3)	00	00
4. Schedule Y Pass-Through Entity (Taxed at _____ %) ..... (4)	00	00
5. Schedule Z Pass-Through Entity (Taxed at _____ %) ..... (5)	00	00
6. Schedule AA Pass-Through Entity (Taxed at _____ %) ..... (6)	00	00
7. Total (Add lines 1 through 6. Transfer to Part III, line 7) ..... (7)	00	00



## INFORMATIVE RETURN – PASS-THROUGH ENTITY

### PARTNER'S OR STOCKHOLDER'S DISTRIBUTABLE SHARE ON INCOME, LOSSES AND CREDITS

#### FORM 480.60 EC

#### INSTRUCTIONS

##### GENERAL INSTRUCTIONS

##### WHO MUST FILE THE INFORMATIVE RETURN – PASS-THROUGH ENTITY

Every partnership, special partnership, corporation of individuals or limited liability company (hereinafter "entity") that is required to file an Informative Income Tax Return must provide to each partner, stockholder or member (hereinafter "owner") a report containing the information required to be included on the owner's income tax return. The information must be provided in Form 480.60 EC (Informative Return - Pass-Through Entity – Partner's or Stockholder's Distributable Share on Income, Losses and Credits).

Each owner must submit this Informative Return with the income tax return.

For purposes of this return, the terms partnership and partner include a limited liability company and any of its members if they are subject to the provisions of Chapter 7 of Subtitle A of the Puerto Rico Internal Revenue Code of 2011, as amended (hereinafter "Code").

##### WHERE SHOULD FORM 480.60 EC BE FILED?

Form 480.60 EC must be **filed electronically**. According to the Internal Revenue Circular Letter No. 16-06, for taxable years beginning after December 31, 2014, the filing of Form 480.60 EC shall be made electronically through our webpage: [www.hacienda.pr.gov](http://www.hacienda.pr.gov).

##### DATE ON WHICH THE REPORT MUST BE PROVIDED TO OWNERS

The entity has until the last day of the third month following the close of the taxable year to provide the informative return filed electronically to the owners. **Copy of such report must be sent to the Department of the Treasury together with the Pass-Through Entity Informative Income Tax Return (Form 480.20(EC)) when the same is filed.**

##### REQUEST FOR EXTENSION OF TIME TO FILE THE OWNER'S REPORT

A one (1) month automatic extension of time will be granted from the date prescribed to file the owner's report. This will be made through the Request for Extension of Time to File Reports of Partnership, Special Partnership, Corporation of Individuals, Employees-Owned Special Corporation and Revocable Trust or Grantor Trust (Form AS 2644.1).

##### ESTIMATED PAYMENT REQUIREMENT ON OWNER'S DISTRIBUTABLE SHARE

Sections 1062.07, 1062.04 and 1062.05 of the Code, provide the

requirements for the income tax estimated payments attributable to the partner's or stockholder's distributable share on the income from the partnership, special partnership or corporation of individuals, respectively.

The managing owner or any other persons to whom the obligation to provide the report to the owners has been delegated, must determine and send an amount equal to 30% of the total estimated owner's distributable share on the income items from a pass-through entity, less the total withheld with respect to judicial or extrajudicial indemnification payments and payments for services rendered.

Such payments must be deposited in the Department of the Treasury in 4 equal installments not later than the 15th day of the fourth, sixth, ninth and twelfth month of the entity's taxable year using Form 480.9A (Withholding Tax Payment Voucher) or substitute form.

In the case of a partner that is a nonresident alien individual or a foreign corporation not engaged in trade or business in Puerto Rico, the amount to be withheld attributable to its distributable share on the net income from the special partnership will be determined on a 29% basis.

In the case of a stockholder that is a nonresident alien individual, the amount to be withheld attributable to its distributable share on the net income from the corporation of individuals will be determined on a 33% basis.

Any balance not paid by the end of the entity's taxable year, must be paid not later than the 15th day of the third month following the close of the taxable year, together with Form 480.9A (Withholding Tax Payment Voucher) or substitute form and with the filing of the Pass-Through Entity Informative Income Tax Return (Form 480.20(EC)) or the corresponding request for extension of time to file the return.

##### HOW MUST THE OWNERS REPORT THESE ITEMS IN THEIR INCOME TAX RETURNS?

The owner must include each one of the items indicated in his income tax return as if such items were realized directly by him, since the Code provides that the nature, source and character of the income, gains, losses or credits items included in the owner's distributable share will be determined as if such items were realized by the partner directly from the source from which the entity realized them, or incurred in the same way that they were incurred by the entity. In the same way, the owner's distributable share on income from sources outside of Puerto Rico earned by the entity will retain the character of the income from sources outside of Puerto Rico in the hands of the owner.

Nevertheless, Sections 1114.06(b) and 1115.04(c) of the Code provides, respectively, that the partner or stockholder of a special

partnership or corporation of individuals may elect to treat its distributable share on lines 1, 2, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15 and 16 of Part III as part of the special partnership's or corporation of individual's net income or loss. In this case, the amount allowable as a deduction for its distributable share on the loss from the sale or exchange of capital assets by the special partnership or corporation of individuals will be limited to the partner's or stockholder's distributable share on the capital gains realized by the special partnership or corporation of individuals. Once the election is made for a particular taxable year, the same is irrevocable with respect to such year.

## EVIDENCES OF THE INFORMATIVE RETURN

You must keep for your records for a minimum period of ten (10) years the evidences corresponding to the items that so require them, in case that they may be required as part of a revision, investigation or audit procedure.

### SPECIFIC INSTRUCTIONS

Enter the information required in each space. The entity is required to provide this informative return to each owner completed in all parts, so the owner can complete the income tax return to be filed with the Department of the Treasury.

Enter the name and address of the owner and entity, as well as the social security number or employer identification number and type of industry.

Also, you must indicate the form with respect to which this Informative Return is completed:

- Form 480.20(EC) – Informative Income Tax Return Pass-Through Entity
- Form 480.10(SC) – Partnership Informative Income Tax Return – Composite
- Form 480.20(U) – 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)

### PART I – INFORMATION OF THE PARTNER, STOCKHOLDER OR MEMBER

Indicate on lines A through J, the information that describes what applies to the owner, as it corresponds.

**Line B** – Indicate the type of partner or stockholder. In the case that the owner is not a natural person, you must select the alternative that corresponds to the type of entity under which such owner is organized.

**Line E** – Indicate the owner's share on the debts incurred by the entity, including obligations guaranteed and non-guaranteed by the owners. The owner's basis will increase by those obligations guaranteed by such owner.

**Line F** – Enter the partnership's or special partnership's debts attributable to the partner with respect to operations covered under Act 78-1993 and Act No. 52 of 1983.

**Line G** – If the entity has a tax exemption election, indicate the act that grants such exemption. The boxes corresponding to Act 362-1999, Act 27-2011, Act 20-2012 and Act 135-1997, may be selected only if the entity is a partnership. The box corresponding to Act 83-2010, may only be selected in the case that the entity is a special partnership or partnership. If you are entitled to an exemption under any act that is not included on this line, indicate the same in subsection 13.

### PART II – ANALYSIS OF CAPITAL ACCOUNT OF THE PARTNER STOCKHOLDER OR MEMBER

**Column (a)** – Enter any capital contributed by the owner during the taxable year.

**Column (b)** – Enter any other basis increase attributable to the owner. You must keep for your records a schedule detailing the nature of each item included on this line.

**Column (c)** – Enter the owner's distributable share on the gains or losses from the entity during the taxable year.

**Column (d)** – Enter the amount attributable to the owner's debts assumed and guaranteed by the entity. The owner must include the information provided on this line on Schedule R Individual, Part I, line 3(i) or Part III, line 3(h).

**Column (e)** – Enter the amount attributed to withdrawals or distributions made by the entity to the owner, excluding the amount attributed to income tax for withholdings at source on the distributable share made to a resident owner (30%), to a nonresident alien partner of a special partnership (29%) or to an individual nonresident alien stockholder of a corporation of individuals (33%).

In the case of special partnerships, do not include on this line the partner's debts assumed and guaranteed by the partnership.

**Column (f)** – Enter the amount attributed to other decreases to the owner's basis in the entity.

For purposes of computing the loss that you are entitled to claim, you must determine the adjusted basis of the owner's interest according to Sections 1071.05, 1114.17 and 1115.05 of the Code.

The owner's losses in one or more entities are allowed as a deduction, subject to certain limitations, against income from other entities in which the owner is a shareholder or stockholder. Each loss may be considered up to the amount of the adjusted basis of the owner's interest in each corresponding entity.

The limitation of the adjusted basis will be computed for each one of the entities in which the owner invests.

If the loss deduction allowable to the owner for any taxable year is less than its distributable share in the entity's net loss, the owner may claim such excess as a deduction in any future taxable year, subject to the previously explained limitations.

### PART III – DISTRIBUTABLE SHARE PER CATEGORY

Enter in each one of the spaces provided the owner's distributable

share on the applicable item and the corresponding tax withheld, if any.

**Line 1 - Net long-term gain (or loss) on sale or exchange of capital assets**

Enter on this line the owner's distributable share on the gain or loss derived from the sale or exchange of capital assets held by the entity for more than one (1) year.

**Line 2 - Net short-term gain (or loss) on sale or exchange of capital assets**

Enter on this line the distributable share on the gain or loss derived from the sale or exchange of capital assets held by the entity for one (1) year or less.

**Line 5 - Net income (or loss) from the entity's trade or business**

Include on this line the owner's distributable share on the net income or loss from the entity's trade or business.

Do not include in this item income, gains or losses identified on other lines of this Part.

Enter on line 5(a) the share of the entity's net income attributable to services rendered by the owner and not paid to the owner as salaries or compensation for services rendered.

The amount on line 5(a) must be reported by the owner as income from services or from trade or business in its income tax return.

Enter on line 5(b) the difference between the amount on line 5 and the amount attributable to the services rendered by the owner reported on line 5(a).

The amount on line 5(b) must be informed by the owner on Schedule R of its income tax return.

**Line 6 - Net income (or loss) from partially exempt income**

Enter on this line the owner's distributable share on the net income or loss from operations under Act No. 52 of 1983, Act No. 47 of 1987, Act 78-1993, Act 225-1995, Act 74-2010, or Act 132-2010.

**Line 7 - Net income (or loss) from income subject to a preferential rate**

Enter on this line the owner's distributable share on the net operating income or loss subject to a fixed special tax rate, such as income under Act 83-2010, known as the Puerto Rico Green Energy Incentives Act, and income from Act 73-2008, excluding dividends, long-term capital gains and income from interest on deposits in financial institutions. Enter in the first Column the amount attributable to the owner on the net taxable income and in the second Column the tax deposited by the entity, as determined in Form 480.20(EC).

In the case of an individual owner, you must include the net income from this line on Schedule F Individual, Part V, Column E and transfer said income to Schedule A2 Individual, Columns F through H, as

applicable, to compute such income at the corresponding fixed rate. The tax reported in Column 2 of this line 7 must be included on Schedule B Individual, Part III, line 11(e).

In the case of a corporation, you must include the net income reported in the first Column of this line 7, in Part I, line 18, page 1 of the corporation's income tax return. The tax reported in Column 2 of this line 7 must be included on Schedule B Corporation, Part III, line 7(c).

**Line 8 - Eligible distribution of dividends from corporations**

The owners may claim separately in their returns the dividends received by the entity, from eligible dividends distributions, as defined in Section 1023.06 of the Code, according to their distributable share therein, with the proportion of tax withheld. In the case of an individual partner, such tax withheld must be included on Schedule B Individual, Part III, line 11(b) and in the case of a corporate partner, it will be included on Schedule B Corporation, Part III, line 7(b).

Enter on this line the owner's distributable share on the total eligible dividend distributions received by the entity that were made by a corporation that are subject to the 15% rate, along with the corresponding tax withheld.

In the case of special partnerships and corporations of individuals, as elected by the owner, said income may be included in the entity's net income to determine its income or loss, as provided in Sections 1114.06(b) and 1115.04(c) of the Code, respectively.

**Line 9 - Distributions of dividends subject to \_\_\_\_% withholding**

Enter on this line the owner's distributable share on the dividend distributions subject to a fixed special tax rate not previously specified, along with the corresponding tax withheld. Specify the applicable corresponding rate in the space provided for this purpose.

**Line 10 - Interest income from deposits in financial institutions subject to withholding**

Enter on this line the owner's distributable share on the income derived by the entity from interests on investments or deposits in cooperatives, savings associations authorized by the Federal Government or by the Government of Puerto Rico, commercial and mutual banks or in banking organizations established in Puerto Rico, as well as the 10% amount withheld, if the election was made. In the case of an individual partner, such tax withheld must be included on Schedule B Individual, Part III, line 11(a).

**Line 11 - Interest income from deposits in financial institutions not subject to withholding**

Enter on this line the owner's distributable share on the taxable interests received or credited that were not subject to withholding.

**Line 12 - Other interests subject to withholding at the 10% rate**

Enter here the owner's distributable share on the income from taxable interests received or credited that were subject to the 10% preferential rate. In the case of an individual owner, such tax withheld must be included on Schedule B Individual, Part III, line 11(a).



**Line 13 – Other interests subject to \_\_\_\_% withholding**

Enter on this line the owner’s distributable share on the income from taxable interests received or credited that were subject to a fixed special tax rate not previously specified, along with the corresponding tax withheld. Specify the corresponding rate in the space provided for this purpose.

**Line 14 - Distributable share on gain from a partnership or special partnership owned by the entity**

The entity can be a partner in other partnership or in a special partnership.

This line will reflect the owner’s distributable share on income from the partnership or from the special partnership attributable to the entity.

**Line 15 - Distributable share on loss from a partnership or special partnership owned by the entity**

The entity can be a partner in other partnership or in a special partnership.

This line will reflect the owner’s distributable share on loss from the partnership or from the special partnership attributable to the entity.

**Line 16 - Others**

Enter the total of other income not included on the preceding lines. If this line includes income from different concepts, you must keep for your records a schedule showing a breakdown of such income. Copy of this schedule must be included with the Informative Return provided to the owner.

**Line 17 - Exempt income**

Enter the owner’s distributable share on the total amount of exempt income derived by the entity.

**Line 18 - Exempt income subject to alternate basic tax**

Enter the individual owner’s distributable share on the total amount of exempt income subject to alternate basic tax.

**Line 19 - Adjustment for purposes of the alternate basic tax**

Enter here the owner’s distributable share in any adjustment to the income from the entity that, at the entity’s individual owner level, are considered income subject to alternate basic tax, such as nondeductible expenses for purposes of the alternate basic tax at the individual owner level, or in the case of special partnerships, the adjustment for the determination of the share in the profit or loss from certain special partnerships under the percentage of completion method. (Refer to Regulation No. 8329 of January 9, 2013.)

**Line 20 - Adjustment for purposes of the alternative minimum tax**

Enter here the corporate owner’s distributable share in any adjustment to the income from the entity that, at the owner level, are considered income subject to alternative minimum tax. **You must keep for your records a schedule detailing the nature of each item included on this line with the amount of each adjustment**

**per item.** Copy of this schedule must be included with the Informative Return that the entity provides to the owner.

**Line 21 – Charitable contributions**

Enter here the partner’s distributable share on the total charitable contributions paid during the taxable year, by the partnership, to a nonprofit religious, charitable, scientific, literary, educational or museological organizations, or to organizations for the prevention of cruelty or abuse of children, the elderly or disabled, or to animals, organizations for the prevention of domestic violence or hate crimes, or to organizations of war veterans in the United States or Puerto Rico. However, no part of the net earnings of any organization to which you contribute may benefit any private partner.

Enter here, also, the partner’s distributable share on the deduction for contributions paid to:

- the Government of Puerto Rico, the United States Government, or any of its states, territories or possessions, or any political subdivision thereof, or the District of Columbia, when the contributions or donations are used exclusively for public purposes;
- university level accredited educational institutions established in Puerto Rico;
- the José Jaime Pierluisi Foundation;
- the Fund for the Financing of Cultural Affairs of Puerto Rico;
- the Puerto Rico Communitarian Foundation;
- the Corporation of the Symphonic Orchestra of Puerto Rico;
- the Fund for Services Against Remediable Catastrophic Illnesses.

Include also the partner’s distributable share on the contributions made to a municipality of cultural or historic value, as certified by the Institute of Puerto Rican Culture or the Cultural Center of each municipality, or that makes possible the realization of any cultural or historic work, in connection with the celebration of the centennial foundation of said municipalities. If this type of contributions are included on this line, you must keep for your records a schedule itemizing those contributions. Copy of this schedule must be included with the Informative Return that the entity provides to the owner.

**Line 22 - Volume of business**

Enter here the owner’s distributable share on the total entity’s volume of business in order to determine the requirement to file financial statements.

**PART IV – NONRESIDENT ALIENS PARTNERS OR STOCKHOLDERS**

Enter on line 1 of this Part IV the distributable share of a nonresident alien partner or stockholder in the net income of a special partnership or corporation of individuals and the corresponding withholding.

**PART V - CREDITS**

Act 40-2013 established a moratorium to certain tax credits and the essential requirement to all credit holders to inform the Secretary of

the Treasury the amount of credits granted and approved as of June 30, 2013. Every taxpayer owning a tax credit must refer to the Internal Revenue Circular Letter No. 13-08 of July 22, 2013 ("CC 13-08"), that establishes the information and procedures related to the tax credits affected by Act 40-2013.

**Every taxpayer that wishes to claim a tax credit, must submit with the return, copy of Form 480.71.1 "Informative Return for Tax Credit Holders" duly filed with the Department, as provided by CC 13-08.**

**Line 1 - Credit for tax withheld at source from Industrial Development dividends (Act No. 8 of 1987)**

The owners of an entity will be entitled to claim, according to the percentage applicable to the distributable share on the entity, a credit as established in Section 4(a) of the Incentives Act, against the tax due for the year in which the entity received, as an investor, a distribution from Industrial Development Income.

Enter on this line the owner's distributable share on the tax withheld at source to the entity on dividends from Industrial Development Income.

**Line 2 – Credit for increase in investment**

Enter the owner's distributable share on the portion of the credit attributable to dividends received from industrial development income corresponding to the 3% of the investment made by the subsidiary in the acquisition, construction and expansion of buildings and other structures used in manufacture, which exceeds the investment in such properties owned by the subsidiary as of March 31, 1977.

**Line 3 – Credit attributable to losses or for investment in Capital Investment Funds, Tourism Funds or other funds or directly**

Enter the owner's distributable share on the amount of credit determined on Schedules Q and Q1 included with the Pass-Through Entity Informative Income Tax Return (Form 480.20(EC)), attributable to losses or for investment in Capital Investment, Tourism or other funds or directly.

**Line 4 - Credit for the purchase of tax credits**

Enter here the owner's distributable share on the tax credits acquired by the entity during the year through the purchase, exchange or transfer from the primary investor.

Part VII of Form 480.60 EC must be completed.

**Line 5 - Credit for investment in Film Industry Development (Act 27-2011)**

Enter the owner's distributable share on the amount of the credit to be claimed for the investment in a Film Entity engaged in a Film Project and/or Infrastructure Project under Act 27-2011.

This credit is subject to the taxpayer's request and the approval by the Secretary of the Treasury of an administrative determination under Act 27-2011 and its regulations. For additional details, refer to Act 27-2011.

**Line 6 – Credit for the purchase or transmission of television programming made in P.R. (Section 1051.14)**

Enter the owner's distributable share on the amount of credit to be claimed for the purchase or transmission of television programming made in Puerto Rico, according to Section 1051.14 of the Code.

This credit is subject to the entity's attainment of a Compliance Certification issued by the Department of Economic Development, according to the provisions of Section 1051.14 of the Code and any regulation issued thereunder.

**Line 7 – Credit for contributions to former governors foundations**

Enter the owner's distributable share on the amount of credit to be claimed for contributions to former governors foundations equivalent to 100% of the amount contributed during the taxable year to such foundations for operating expenses and those expenses related to the purposes for which they were created and/or those charitable contributions to a Depository of Files and Relics of Former Governors and Former First Ladies of Puerto Rico constituted according to the provisions of Act 290-2000 by itself or as a whole with public or private Higher Education entities, to cover the costs of construction, operation and other necessary expenses for the true fulfillment of the purposes of Act 290-2000 and Act 302-2012. The tax credits to be granted cannot exceed \$1,000,000 in aggregate, for any taxable year.

To claim this tax credit you must submit the certification issued by the recipient entity as evidence that the contribution was made and accepted. The amount of the credit not used in the taxable year in which the contribution was made, may be carried over to subsequent taxable years, until totally used.

**Line 8 - Credit to investors who acquire an exempt business that is in the process of closing its operations in Puerto Rico (Act 109-2001)**

Enter the owner's distributable share on the amount of credit for investment in an exempt business that is in the process of closing its operations in Puerto Rico. Every investor may claim an industrial investment credit equal to 50% of its eligible investment.

The credit must be claimed in two installments: the first half in the year that the eligible investment was made and the balance in subsequent years.

Every investor must request an administrative determination to the Secretary of the Treasury before claiming the industrial investment credit.

The part of the credit not used in the taxable year may be carried over to subsequent years, until totally used.

For additional details, refer to Act 109-2001 and the corresponding regulations.

**Line 10 - Credit for contributions to Santa Catalina's Palace Patronage**

Enter the owner's distributable share on the 100% of contributions made to Santa Catalina's Palace Patronage (Patronage). The tax credits to be granted cannot exceed \$2,500,000 for any taxable year.

**Remember that contributions to the Patronage generate a tax credit. Therefore, such contribution cannot be claimed as part of the deduction for charitable contributions.**

**Line 11 - Credit for the establishment of an eligible conservation easement or donation of eligible land (Act 183-2001)**

Enter the owner's distributable share on the amount of credit for the establishment and donation of a conservation easement, equal to 50% of the value of the eligible conservation easement. To claim this credit you must obtain a certification issued by Secretary of the Treasury.

For additional details, refer to Act No. 183-2001, as amended, and Internal Revenue Circular Letter No. 05-04 of March 23, 2005.

**Line 12 - Credit for construction investment in urban centers (Act 212-2002)**

Enter the owner's distributable share on the amount of credit for construction investment in urban centers. Every person that carries out a construction or improvement project in an urban center, as provided by law, may qualify to claim a credit against the tax.

The concession of the credit is subject to the taxpayer's request and the approval by the Secretary of the Treasury of an administrative determination.

For additional details, refer to Act 212-2002, as amended, and the corresponding regulations.

**Line 13 - Credit for merchants affected by urban centers revitalization (Act 212-2002)**

Enter the owner's distributable share on the amount of the Tax Credit for Merchants Affected by Urban Centers Revitalization. Every commercial entity established in the area affected by the construction of the revitalization projects in urban centers, will be entitled to claim an 8% tax credit from 50% of the gross sales generated during the construction period.

To claim this credit, you must include with the return a certification issued by the Puerto Rico Trade and Export Company in which the taxpayer is identified as a merchant affected by the construction work.

For additional details, refer to Act 212-2002, as amended, and the corresponding regulations.

**Line 14 - Credit for investment Act 73-2008**

Enter the owner's distributable share on the amount of credit to be claimed for industrial investment under Section 6 of Act 73-2008. This amount must be equal to 50% of the eligible investment to be claimed in two or more installments: the first half in the year in which the eligible investment is completed and the balance in the subsequent years.

The credit not used in a taxable year may be carried over to subsequent years, until totally used.

For additional details, refer to Act 73-2008 and the corresponding regulations.

**Line 15 – Credit for investment Act 83-2010**

Enter the owner's distributable share on the amount of credit to be claimed for investment in research and development activities of

green energy sources under Act 83-2010, best known as the Puerto Rico Green Energy Incentives Act. This amount must equal 50% of the special eligible investment and will be claimed in two or more installments: the first half in the year in which the eligible investment is made and the balance in the subsequent years.

The credit not used in the taxable year may be carried over to subsequent years, until totally used. This credit does not generate a refund.

For additional details, refer to Act 83-2010.

**Line 16 - Other credits not included on the preceding lines**

Enter on this line the owner's distributable share on the total amount of other credits not included on the preceding lines. If on this line you included credits from different concepts, you must keep for your records a schedule showing a breakdown of such credits. Copy of this schedule must be included with the Informative Return that the entity provides to the owner.

**PART VI – TAXES PAID TO FOREIGN COUNTRIES AND THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS**

Enter in this part the owner's distributable share on the net income from sources outside of Puerto Rico derived by the entity and the taxes paid by the entity outside of Puerto Rico on said net income. This Part VI provides space to include the income per country of up to 3 countries, in addition to the United States. If there is income derived from more than 3 countries, you must include the total of such income in one column and keep for your records a schedule breaking down the information of the net income and tax paid to each country.

**Line 1 – Net income from sources within the country, territory or possession**

Enter on this line the owner's distributable share on the net income from sources outside of Puerto Rico derived by the entity. This amount must be reported per country, as determined on line 3, Part I of Schedule C Pass-Through Entity submitted by the entity with its Pass-Through Entity Informative Income Tax Return (Form 480.20(EC)).

**Line 2 - Tax paid during the year**

Enter on this line the owner's distributable share on the income tax paid or accrued to the United States, its possessions or foreign country as reported in Part II of Schedule C Pass-Through Entity submitted by the entity with its Pass-Through Entity Informative Income Tax Return (Form 480.20(EC)).

**PART VIII – DISTRIBUTABLE SHARE ON THE NET INCOME SUBJECT TO PREFERENTIAL RATES**

Indicate in this part the owner's distributable share on the net income and income tax in the cases where the entity operates with an exemption decree under the Puerto Rico tax incentives acts.

In the Columns for "Net Income" and "Tax Determined" you must indicate the owner's attributable amount from Schedules V, W, X, Y, Z and AA Pass-Through Entity, Part IX, as applicable. Also, specify the applicable corresponding rate in the spaces provided for this purpose on lines 1 through 6.

The total tax indicated on line 7 of this part, must have been paid by the entity on behalf of its owners.