

Liquidator:		Reviewer:		COMMONWEALTH OF PUERTO RICO DEPARTMENT OF THE TREASURY Income Tax Return for Exempt Businesses Under the Puerto Rico Incentives Programs		Serial Number	
Field Audited by:						AMENDED RETURN ☐	
Date ____/____/____						Payment Stamp	
R	M	N					
TAXABLE YEAR BEGINNING ON _____ AND ENDING ON _____							
Name Postal Address Zip Code Location of Principal Industry or Business - Number, Street and Country Type of Principal Industry or Business				Employer's Identification Number			
				Department of State Registry No.			
				Industrial Code		Municipal Code	
				Telephone Number - Extension () -			
				Date Incorporated Month ____/ Day ____/ Year ____			
Contracts with Governmental Entities ☐ Yes ☐ No				Change of address ☐ Yes ☐ No			
2004 Return ☐ Spanish ☐ English				Place Incorporated E - mail			
				Receipt No. _____ Amount: _____			

Part I	1. Tax liability:		a) Schedule K Incentives, Part I, line 16, Columns A, B and C (1a)		00	
			b) Schedule O Incentives, Part II, line 10 (1b)		00	
			c) Schedule V Incentives, Part IV, line 5 (1c)		00	
			d) Schedule W Incentives, Part II, line 7 (1d)		00	
			e) Total (Add lines 1(a) through 1(d)) (1e)		00	
	2. Tax on eligible interest (See instructions)		(2)		00	
	3. Addition to the Tax for Failure to Pay Estimated Tax (Schedule T Incentives, Part III, line 44)		(3)		00	
	4. Less:					
	a) Tax withheld at source		(4a)		00	
	b) Current year estimated tax payments		(4b)		00	
	c) Excess from previous years not included on line 4(b)		(4c)		00	
	d) Tax withheld on partners and stockholders distributable share from special partnerships		(4d)		00	
	e) Amount paid with automatic extension of time or with original return		(4e)		00	
	f) Tax withheld for professional services (Form 480.6B)		(4f)		00	
	g) Tax withheld at source on eligible interest		(4g)		00	
	h) Total payments (Add lines 4(a) through 4(g))		(4h)		00	
	5. Balance of tax due (Subtract line 4(h) from line 1(e))					
	a) Tax		(5a)		00	
	b) Interest		(5b)		00	
	c) Surcharges		(5c)		00	
d) Total (Add lines 5(a) through 5(c))		(5d)		00		
6. Amount paid with this return		(6)		00		
7. Amount overpaid to be credited to estimated tax for 2004		(7)		00		
8. Amount to be refunded		(8)		00		
9. Special surtax (Schedule N Incentives, Part II, line 6)		(9)		00		
10. Less:						
a) Amount paid with automatic extension of time or with original return		(10a)		00		
b) Amount paid in excess from previous year		(10b)		00		
c) Credit (Article 41A-6)		(10c)		00		
d) Total payments (Add lines 10(a) through 10(c))		(10d)		00		
11. Balance of tax due (Subtract line 10(d) from line 9)						
a) Tax		(11a)		00		
b) Interest		(11b)		00		
c) Surcharges		(11c)		00		
d) Total (Add lines 11(a) through 11(c))		(11d)		00		
12. Amount paid with this return		(12)		00		
13. Amount overpaid to be credited to the special surtax for 2004		(13)		00		
14. Prepayment of tollgate tax (Part IV, line 11)		(14)		00		
15. Tollgate tax applied against tax withheld attributable to current year distribution		(15)		00		
16. Total prepayment of tollgate tax liability (Add lines 14 and 15)		(16)		00		
17. Less:						
a) Current year estimated tollgate tax payments		(17a)		00		
b) Excess from previous years not included on line 17(a)		(17b)		00		
c) Amount paid with automatic extension of time or with original return		(17c)		00		
d) Total (Add lines 17(a) through 17(c))		(17d)		00		
18. Balance of tax due (Subtract line 17(d) from line 16)						
a) Tax		(18a)		00		
b) Interest		(18b)		00		
c) Surcharges		(18c)		00		
d) Total (Add lines 18(a) through 18(c))		(18d)		00		
19. Amount paid with this return		(19)		00		
20. Amount overpaid to be credited to estimated prepayment of tollgate tax for 2004		(20)		00		

Part II**Applicable Tax Exemption Acts**

Indicate under which of the following act or acts the exempt business operates:

☐	Act No. 57 of June 13, 1963	Case Number: _____
☐	Act No. 168 of June 30, 1968	Case Number: _____
☐	Act No. 26 of June 2, 1978	Case Number: _____
☐	Act No. 52 of June 2, 1983	Case Number: _____
☐	Act No. 8 of January 24, 1987	Case Number: _____
☐	Act No. 148 of August 8, 1988	Case Number: _____
☐	Act No. 78 of September 10, 1993	Case Number: _____
☐	Act No. 75 of July 5, 1995	Case Number: _____
☐	Act No. 225 of December 1, 1995	Case Number: _____
☐	Act No. 14 of March 15, 1996	Case Number: _____
☐	Act No. 135 of December 2, 1997	Case Number: _____
☐	Act No. 362 of December 24, 1999	Case Number: _____
☐	Act No. 178 of August 18, 2000	Case Number: _____

If you check Act No. 26 of 1978 or Act No. 8 of 1987, complete Part III, if applicable.**Part III****Conditions that Exonerate from the Prepayment of Tollgate Tax****Each exempt business under Act 26 of 1978 or Act 8 of 1987 is generally subject to the prepayment of tollgate tax.**Is the exempt business subject to the prepayment? ☐ Yes ☐ No

If the exempt business is not subject to the prepayment of tollgate tax, indicate which of the following conditions exonerates such payment:

- ☐ The exempt business elected the optional tax under Section 3A of Act 8 of 1987.
- ☐ 50% or more of the outstanding stocks are owned by individuals.
- ☐ Its annual industrial development income is less than \$1,000,000.
- ☐ Its industrial development income is exempt pursuant to the provisions of Sections 2(e)(4), 2(e)(11) or 3(m) of Act 8 of 1987.
- ☐ Its industrial development income is exempt pursuant to Sections 2(e)(5), 2(e)(12), 2(e)(20), 2(e)(26) or 3(n) of Act 26 of 1978.
- ☐ The exempt business is covered under Section 4(a)(8) of Act 8 of 1987 (See instructions).

If any portion of the Exempt Business Industrial Development Income is not exempt from the prepayment of Tollgate Tax, continue with Part IV.**Part IV****Computation of Prepayment of Tollgate Tax**

1. Net operating income for the year:			
a) Schedule M Incentives, Part I, line 1.....	(1a)		00
b) Schedule N Incentives, Part I, line 1.....	(1b)		00
c) Total net operating income for the year	(1c)		00
2. Adjustments:			
a) Interest income from certain 2(j) investments (See instructions)	(2a)		00
b) Other adjustments (See instructions)	(2b)		00
c) Total adjustments (Add lines 2(a) and 2(b))	(2c)		00
3. Industrial development income (IDI) after adjustments (If line 1(c) is larger than line 2(c), enter the difference here. Otherwise, do not continue with this form)		(3)	00
4. Less tax determined on industrial development income:			
a) Total tax (Schedule K Incentives, Part I, Column B, line 16)	(4a)		00
b) Special surtax (Part I, line 9)	(4b)		00
c) Other taxes (See instructions)	(4c)		00
d) Total taxes (Add lines 4(a) through 4(c))	(4d)		00
5. Net IDI available for distribution (Subtract line 4(d) from line 3).....		(5)	00
6. Determination of prepayment of tollgate tax (5% or % of line 5) (See instructions)		(6)	00
7. Dividends declared from current earnings		(7)	00
8. Prepayment of tollgate tax attributable to current earnings (Multiply line 7 by 5% or %)		(8)	00
9. Prepayment of tollgate tax before credits (Subtract line 8 from line 6)		(9)	00
10. Less credits:			
a) Special credit granted (Do not exceed 50% of line 9)	(10a)		00
b) Other credits (See instructions)	(10b)		00
c) Total (Add lines 10(a) and 10(b))	(10c)		00
11. Total prepayment of tollgate tax liability (Subtract line 10(c) from line 9. Enter in Part I, line 14)		(11)	00

Part V**Exempt Business - Comparative Balance Sheet**

Assets		Beginning of the year			Ending of the year	
			Total			Total
1. Cash on hand and banks	(1)		00	(1)		00
2. Accounts receivable	(2)	00		(2)	00	
3. Less: Reserve for bad debts	(3)	(00)	00	(3)	(00)	00
4. Notes receivable	(4)		00	(4)		00
5. Inventories	(5)		00	(5)		00
6. Investments	(6)		00	(6)		00
7. Depreciable assets	(7)	00		(7)	00	
8. Less: Reserve for depreciation	(8)	(00)	00	(8)	(00)	00
9. Land	(9)		00	(9)		00
10. Other assets	(10)		00	(10)		00
11. Total Assets	(11)		00	(11)		00
Liabilities and Net Worth						
Liabilities						
12. Accounts payable	(12)	00		(12)	00	
13. Notes payable	(13)	00		(13)	00	
14. Accrued expenses (not paid)	(14)	00		(14)	00	
15. Other liabilities	(15)	00		(15)	00	
16. Total Liabilities	(16)		00	(16)		00
Net Worth						
17. Capital stock						
(a) Preferred stock	(17a)	00		(17a)	00	
(b) Common stock	(17b)	00		(17b)	00	
18. Additional paid in capital	(18)	00		(18)	00	
19. Retained earnings	(19)	00		(19)	00	
20. Reserve	(20)	00		(20)	00	
21. Total Net Worth	(21)		00	(21)		00
22. Total Liabilities and Net Worth	(22)		00	(22)		00

Part VI**Reconciliation of Net Income (or Loss) per Books with Net Taxable Income (or Loss) per Return**

1. Net income (or loss) per books	(1)	00	7. Income recorded on books this year not included on this return (Itemize, use schedule if necessary)		
2. Income tax	(2)	00	(a) Exempt interest		
3. Excess of capital losses over capital gains	(3)	00	(b)		
4. Taxable income not recorded on books this year (Itemize)			(c)		
(a)			(d)		
(b)			Total	(7)	00
(c)			8. Deductions on this tax return not charged against book income this year (Itemize, use schedule if necessary)		
(d)			(a) Depreciation		
Total	(4)	00	(b)		
5. Expenses recorded on books this year not claimed on this return (Itemize, use schedule if necessary)			(c)		
(a) Meal and entertainment (portion not claimed)			(d)		
(b) Depreciation			Total	(8)	00
(c)			9. Total (Add lines 7 and 8)	(9)	00
(d)			10. Net taxable income (or loss) per return		
Total	(5)	00	(Subtract line 9 from line 6)	(10)	00
6. Total (Add lines 1 through 5)	(6)	00			

Part VII**Analysis of Unappropriated Retained Earnings per Books**

1. Balance at beginning of year	(1)	00	5. Distributions: (a) Cash	(5a)	00
2. Net income per books	(2)	00	(b) Property	(5b)	00
3. Other increases (Itemize, use schedule if necessary)			(c) Stock	(5c)	00
.....			6. Other decreases (Use schedule if necessary)	(6)	00
.....	(3)	00	7. Total (Add lines 5 and 6)	(7)	00
4. Total (Add lines 1, 2 and 3)	(4)	00	8. Balance at end of year (Subtract line 7 from line 4)	(8)	00

Part VIII**Questionnaire**

		Yes	No		Yes	No
1. Did the exempt business file an option under Section 936 of the Federal Internal Revenue Code?	(1)			identification number, (b) percentage owned, and (c) taxable income (or loss) before net operating loss and special deductions of the corporation for the taxable year (even when such taxable year does not coincide with the one of the corp. or part. for which this return is filed).		
2. Did the exempt business keep any part of its records on a computerized system during this year?	(2)			13. Is the corporation a subsidiary in an affiliated group or a parent subsidiary of a controlled group?.....	(13)	
3. The exempt business books are in care of: Name _____ Address _____				If "Yes", enter the employer's identification number and the name of the parent corporation: _____		
4. Check accounting method used: ☐ Cash ☐ Accrual ☐ Other (specify): _____				14. Did any individual, partnership, corporation, estate or trust at the end of the taxable year own, directly or indirectly, 50% or more of the corporation's voting stocks? If "Yes", attach a schedule showing (14)		
5. Did the exempt business file the following documents? (a) Informative Return (Forms 480.5, 480.6A, 480.6B) (5a)				the name and employer's identification number (Do not include any information entered in question 13). Enter the percentage owned: %		
(b) Withholding Statement (Form 499R-2/W-2PR) (5b)				15. Enter the amount of exempt interest: _____		
6. If your gross income exceeds \$1,000,000 and is a foreign corporation, did you submit financial statements audited by a CPA licensed in Puerto Rico?..... (6)				16. Does the exempt business have other exempt activities not covered under the Industrial Incentives Acts? (Attach schedule) Under which Act? _____ (16)		
7. Number of employees during the year: _____ (a) Production: _____ (b) Non-production: _____				17. Have you made a timely election under: ☐ Section 3(f) Act No. 8 of 1987 ☐ Section 5(b) Act No. 52 of 1983 ☐ Section 6(f) Act No. 135 of 1997 ☐ Section 3(a)(i)(D) Act No. 78 of 1993		
8. Did the exempt business claim a deduction for expenses connected with: (a) Vessels? (8a)				18. Enter the total amount of charitable contributions to municipalities claimed during the taxable year: _____		
(b) Living expenses? (8b)				19. Indicate if your books reflect premiums paid by unauthorized insurers (19)		
(c) Employees attending conventions or meetings outside Puerto Rico or the United States? (8c)				20. Indicate the method used to allocate expenses: ☐ Profit - Split ☐ Cost Sharing ☐ Others _____		
9. Have you been audited by the IRS?..... (9) Which years? _____				21. If a single method is used, Profit Split or Cost Sharing, indicate the following: ☐ Profit - Split Intangible Income ☐ Cost Sharing Payment		
10. Did the exempt business distribute dividends other than stock dividends or distributions in liquidation in excess of the current and accumulated earnings during this year?..... (10)				22. Indicate the method used to claim the credit in the Federal Corporation Income Tax Return: ☐ Economic Activity Limitation ☐ Percentage Credit Limitation		
11. Is the exempt business a partner in a special partnership?..... (11) Name _____ Employer's identification number _____				23. Employer number assigned by the Department of Labor and Human Resources _____		
12. Did the corporation at the end of the taxable year own, directly or indirectly, 50% or more of the voting stocks of a corporation who is engaged in trade or business in Puerto Rico? (12) If "Yes", attach a schedule showing: (a) name and employer's						

OATH

We, the undersigned, president (or vice president or other principal officer) and treasurer (or assistant treasurer) or agent of the exempt business for which this income tax return is made, each for himself, declare under the penalty of perjury that this return (including schedules and statements attached) has been examined by us and is, to the best of our knowledge and belief, a true, correct, and complete return, made in good faith, pursuant to the Puerto Rico Internal Revenue Code of 1994, as amended, and the Regulations thereunder.

NOTARY SEAL	President's or vice president's signature _____	Treasurer's or assistant treasurer's signature _____
	Agent _____	
	Affidavit no. _____	
	Sworn and subscribed before me by _____, of legal age, _____ [civil status], _____ [occupation], and resident of _____, _____, and by _____, of legal age, _____ [civil status], _____ [occupation], and resident of _____, personally known to me or identified by means of _____, at _____, this ____th day of _____, ____.	
	Title of the person administering oath _____	Signature of the person administering oath _____

SPECIALIST'S USE ONLY

I declare under the 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. 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 letter)	Registration number | | | | |	Date | | | | |	Check if self-employed ☐
Firm's name	Employer's identification number | | | | |		
Specialist's signature			
Address		Zip code	

Schedule B Incentives

Rev. 05.03



RECAPTURE OF INVESTMENT CREDIT
CLAIMED IN EXCESS

200__

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

Taxpayer's Name

Employer's Identification Number

Column A

Column B

Column C

Name of entity:

Employer's identification No:

Investment Credit:

Tourism Development	1	☐	.....	1	☐	.....	1	☐
Solid Waste Disposal	2	☐	.....	2	☐	.....	2	☐
Agricultural Incentives	3	☐	.....	3	☐	.....	3	☐
Capital Investment Fund	4	☐	.....	4	☐	.....	4	☐
Theatrical District of Santurce	5	☐	.....	5	☐	.....	5	☐
Film Industry Development	6	☐	.....	6	☐	.....	6	☐
Housing Infrastructure	7	☐	.....	7	☐	.....	7	☐
Construction or Rehabilitation of Rental Housing Projects for Low or Moderate Income Families	8	☐	.....	8	☐	.....	8	☐
Acquisition of an Exempt Business that is in the Process of Closing its Operations in Puerto Rico	9	☐	.....	9	☐	.....	9	☐
Other:	10	☐	.....	10	☐	.....	10	☐

1. Total investment credit claimed in excess	(1)		00
2. Recapture of investment credit claimed in excess paid in previous year	(2)		00
3. Recapture of investment credit claimed in excess paid this year (Transfer to Schedule K Inc., Part I, line 11, Schedule O Inc., Part II, line 8 or Schedule V Inc., Part IV, line 3, as applicable. See instructions)	(3)		00
4. Excess of credit due next year, if applicable (Subtract line 2 and 3 from line 1. See instructions)	(4)		00

Conservation Period: Ten (10) years

Schedule B1 Incentives

Rev. 05.03

**CREDIT FOR PURCHASE OF PRODUCTS
MANUFACTURED IN PUERTO RICO AND
PUERTORICAN AGRICULTURAL PRODUCTS**

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

200__

Taxpayer's Name

Employer's Identification Number

Part I**Credit for Purchase of Products Manufactured in Puerto Rico for Local Sale and Consumption (Section 1040E)**

Eligible purchases of products manufactured in Puerto Rico for local sale and consumption:

Manufacturing Business	Employer's Identification Number	Manufacturing Business Identification Number	Purchases Value
			00
			00
			00
			00
			00
			00
			00
			00
			00
			00
			00
			00
			00
			00

1. Total aggregate purchases value (1)**2. Aggregate purchases value of products manufactured in Puerto Rico during the 3 taxable years preceding the current taxable year:**

Year: _____

Aggregate purchases value: _____ 00 _____ 00 _____ 00

3. Average of aggregate purchases value during the basis period (3) _____ 00**4. Purchases increase (Subtract line 3 from line 1)** (4) _____ 00**5. Amount of credit (Multiply line 4 by 10%)** (5) _____ 00**6. Credit carried from previous years (Submit Schedule)** (6) _____ 00**7. Total available credit under Section 1040E (Complete Part III)** (7) _____ 00**Part II****Credit for Increase in Purchases of Puerto Rican Agricultural Products (Section 1040F)**

Agricultural Production Group, Agricultural Sector or Qualified Farmer	Contract Number Department of Agriculture	Purchases Increase	Percentage Granted	Amount of Credit
				00
				00
				00
				00
				00

1. Total credit for purchases of Puerto Rican agricultural products (1) _____ 00**2. Credit carried from previous years (Submit Schedule)** (2) _____ 00**3. Total available credit under Section 1040F (Complete Part III)** (3) _____ 00**Part III****Limitation of Credits for Purchases of Products Manufactured in PR and Puerto Rican Agricultural Products**

1. Tax determined (Schedule K Incentives, Part I, line 10C) (1)	00
2. Recapture of investment credit claimed in excess (See instructions) (2)	00
3. Alternative minimum tax (Schedule K Incentives, Part I, line 14) (3)	00
4. Branch profits tax (Schedule K Incentives, Part I, line 15) (4)	00
5. Tax on eligible interest (Form 480.30(II), Part I, line 2) (5)	00
6. Tax liability (Add lines 1 through 5) (6)	00
7. Limitation of 1040E and 1040F credits (Multiply line 6 by 25%) (7)	00
8. Available credit under Sections 1040E and 1040F (Add line 7 from Part I and line 3 from Part II) (8)	00
9. Total credits to be claimed under Sections 1040E and 1040F (The smaller of line 7 or 8. Transfer to Schedule K Incentives, Part I, line 12(j)) (9)	00

Conservation Period: Ten (10) years

Schedule E

Rev. 05.03

**DEPRECIATION****200__**

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

Taxpayer's name _____

Social Security or Employer's Identification Number _____

1. Type of property (In the case of a building, specify the material used in the construction).	2. Date acquired.	3. Original cost or other basis (exclude cost of land). Basis for automobiles may not exceed from \$25,000 per vehicle.	4. Depreciation claimed in prior years.	5. Estimated useful life to compute the depreciation.	6. Depreciation claimed this year.
					37

(a) Current Depreciation

			00	00		
			00	00		
			00	00		
Total				00		

(b) Flexible Depreciation

			00	00		00
			00	00		00
			00	00		00
Total				00		00

(c) Accelerated Depreciation

			00	00		00
			00	00		00
			00	00		00
Total				00		00

(d) Improvements Depreciation

			00	00		00
			00	00		00
			00	00		00
Total				00		00

(e) Amortization (i.e. Goodwill)

			00	00		00
			00	00		00
			00	00		00
Total				00		00

Note: Complete next line only if you are filling out Form 482.0 (Individual Income Tax Return - Long Form)**TOTAL:** (Add total of lines (a) through (e) of Column 6. Transfer to Schedules K, L, M and N Individual, whichever applies) (10)

00

**Schedule K
Incentives**

Rev. 05.03

**COMPUTATION OF TAX**

To be filed with Form 480.30(II)

200__

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

Name	Employer's Identification Number
Type of Business	Case Number

Part I**Normal Tax and Surtax****Column A:** Apply to operations covered under Act 78 of 1993 and Act 168 of 1968.**Column B:** Apply to operations covered under Act 57 of 1963, Act 26 of 1978, Act 52 of 1983 and Act 8 of 1987.**Column C:** Apply to operations covered under Act 148 of 1988, Act 75 of 1995, Act 225 of 1995, Act 14 of 1996 and fully taxable operations.

	Column A	Column B	Column C
1. Net income subject to normal tax:			
a) Schedule L Incentives, Part I, line 5 (1a)	00	00	
b) Schedule M Incentives, Part I, line 10 (1b)		00	
c) Schedule N Incentives, Part I, line 10 (1c)		00	
d) Schedule P Incentives, Part I, line 7 (1d)			00
2. Total net income subject to normal tax (Add lines 1(a) through 1(d)) (2)	00	00	00
3. Less: Surtax net income credit (See instructions) (3)	00	00	00
4. Net income subject to surtax (4)	00	00	00
5. Normal tax (5)	00	00	00
6. Surtax (6)	00	00	00
7. Recovery of tax for differences in tax rates (See instructions) (7)	00		00
8. Total tax (Add lines 5 through 7) (8)	00	00	00
9. Alternative Tax - Capital Gains (Schedule D Corp. and Part.) (9)			00
10. Tax determined (Columns A and B, line 8; Column C, line 8 or 9, whichever is smaller) (10)	00	00	00
11. Recapture of investment credit claimed in excess (Schedule B Inc., line 3) (11)	00	00	00
12. Credits:			
a) Credit for taxes paid to the United States, its possessions and foreign countries (12a)	00	00	00
b) Special credits granted under Art. 41A-6 (Do not exceed 50% of line 10) (12b)		00	
c) Credit of Section 3(a)(3) (Only for exempt businesses under Act No. 8 of 1987) (12c)		00	
d) Credit for investment in Capital Investment, Tourism, other funds or direct investments (Schedule Q) (12d)	00	00	00
e) Credit for the purchase of tax credits (12e)			00
f) Credit attributable to losses in Capital Investment, Tourism or other funds (Schedule Q)..... (12f)			00
g) Alternative minimum tax paid on previous years (12g)			00
h) Credit for increase in investments (12h)			00
i) Credit for Contributions to Educational Foundation for the Free Selection of Schools (12i)	00	00	00
j) Credit for purchases of products manufactured in Puerto Rico and Puerto Rican agricultural products (Schedule B1 Incentives) (12j)	00	00	00
k) Other credits not included on the preceding lines (Submit detail) (See instructions) (12k)	00	00	00
l) Total credits (Add lines 12(a) through 12(k)) (12l)	00	00	00
13. Tax liability before alternative minimum tax (Subtract line 12(l) from the sum of lines 10 and 11) (13)	00	00	00
14. Excess of alternative minimum tax over regular tax (14)			00
15. Branch profits tax (Form AS 2879, see instructions) (15)			00
16. Tax liability (Add lines 13 through 15. Enter here and on Form 480.30(II), Part I, line 1(a)) (16)	00	00	00

Part II Compensation to Officers					
Name of officer	Social security number	Percentage of time devoted to business	Percentage of corporation's stocks owned		Compensation
			Common	Preferred	
					00
					00
					00
					00
					00
					00
Total compensation to officers					00

Part III Reconciliation of Taxable Income in Puerto Rico (Form 480.30(II)) and in the United States (Form 1120)					
Items	Column A Puerto Rico		Column B United States		Column C Difference
1. Sales (1)		00		00	00
2. Cost of goods sold (2)		00		00	00
3. Gross profit (3)		00		00	00
4. Interest (4)		00		00	00
5. Other income (5)		00		00	00
6. Total gross income (6)		00		00	00
7. Total deductions..... (7)		00		00	00
8. Net taxable income (8)		00		00	00
Explain difference:					

Part IV Reconciliation of Passive Income					
Reconciliation Unites States (Form 1120)			Reconciliation Puerto Rico (Form 480.30(II))		
1. Passive income per financial statements (1)		00	1. Passive income per financial statements (1)		00
2. Schedule M-1 Adjustments:			2. Adjustments:		
(a) _____			(a) _____		
(b) _____			(b) _____		
(c) _____			(c) _____		
(d) _____			(d) _____		
(e) _____			(e) Total (Add lines 2(a) through 2(d)) (2e)		00
(f) _____			3. Net passive income from Puerto Rico		
(g) Total (Add lines 2(a) through 2(f)) (2g)		00	sources (Subtract line 2(e) from line 1) (3)		00
3. Passive income as reported on Form 1120			4. Less passive income:		
(Subtract line 2(g) from line 1) (3)		00	a. Rental income reported on Schedule P Inc (4a)		00
			b. Passive income reported on Schedule N Inc. (4b)		00
			c. Passive income reported on Schedule M Inc. (4c)		00
			d. Passive income reported on Schedule V Inc. (4d)		00
			e. Total (Add lines 4(a) through 4(d)) (4e)		00
			5. Difference (Subtract line 4(e) from line 3) (5)		00
Explain difference:					

**Schedule L
Incentives**

Rev. 05.03

**PARTIALLY EXEMPT INCOME UNDER ACT 168
OF 1968, ACT 52 OF 1983 OR ACT 78 OF 1993****200**__

To be filed with Form 480.30(II)

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

Name	Case Number	Employer's Identification Number
Type of Business	Partially exempt income under: ☐ Act 168 of 1968 ☐ Act 52 of 1983 ☐ Act 78 of 1993	
Effective period for income: Begins: _____ Ends: _____	Number of jobs directly related with tourism development: Current: _____ Required: _____	

Part I**Net Income Subject to Tax**

1. Net operating income (or loss) for the year (Part III, line 39)	(1)	00
2. Net operating loss deduction for the preceding year (See instructions. Submit detail)	(2)	00
3. Net operating income (or loss) from eligible tourism and/or hospitals activities subject to the computation (Subtract line 2 from line 1)	(3)	00
4. Exempt amount: _____ % of line 3 (See instructions)	(4)	00
5. Net income subject to tax (Subtract line 4 from line 3. Enter here and on Schedule K Incentives, Part I, line 1(a))	(5)	00

Part II**Gross Profit on Sales and Other Income (Exclude income from casino operations)**

1. Netsales	(1)	00
Less: Cost of goods sold or direct costs of production		
2. Inventory at the beginning of the year ☐ "C" ☐ "C" or "MV"		
a) Materials	(2a)	00
b) Goods in process	(2b)	00
c) Finished goods or merchandise	(2c)	00
3. Purchase of materials or merchandise	(3)	00
4. Direct wages	(4)	00
5. Other direct costs (Detail in Part IV)	(5)	00
6. Total cost of goods available for sale (Add lines 2 through 5)	(6)	00
7. Less: Inventory at end of year ☐ "C" ☐ "C" or "MV"		
a) Materials	(7a)	00
b) Goods in process	(7b)	00
c) Finished goods or merchandise	(7c)	00
8. Gross profit on sales or production	(8)	00
9. Capital assets gains (Apply only to operations covered under Act 78 of 1993. Submit Schedule D Corp. and Part.)	(9)	00
10. Net gain (or loss) from the sale or exchange of property other than capital assets (Applies only to operations covered under Act 78 of 1993. Submit Schedule D Corporation and Partnership)	(10)	00
11. Interest	(11)	00
12. Rent	(12)	00
13. Other income (Submit detail)	(13)	00
14. Total gross income (Add lines 8 through 13)	(14)	00

Conservation Period: Ten (10) years

Part III		Deductions and Net Operating Income	
15. Compensation to officers	(15)		00
16. Salaries, commissions and bonuses to employees	(16)		00
17. Commissions to businesses	(17)		00
18. Social security tax (FICA)	(18)		00
19. Unemployment tax	(19)		00
20. State Insurance Fund premiums	(20)		00
21. Medical or hospitalization insurance	(21)		00
22. Insurance	(22)		00
23. Interest	(23)		00
24. Rent	(24)		00
25. Property tax: (a) Personal _____ (b) Real _____	(25)		00
26. Other taxes, patents and licenses (Submit detail)	(26)		00
27. Losses from fire, storms, theft or other casualties	(27)		00
28. Motor vehicles expenses (Do not include depreciation)	(28)		00
29. Meal and entertainment expenses (Total _____) (See instructions)	(29)		00
30. Travel expenses	(30)		00
31. Professional services	(31)		00
32. Contributions to pension or other qualified plans (See instructions)	(32)		00
33. Depreciation (See instructions. Submit Schedule E)	(33)		00
34. Bad debts (See instructions. Submit detail)	(34)		00
35. Charitable contributions	(35)		00
36. Repairs	(36)		00
37. Other deductions (See instructions. Submit detail)	(37)		00
38. Total deductions (Add lines 15 through 37)	(38)		00
39. Net operating income (or loss) for the year (Subtract line 38 from line 14. Enter here and in Part I, line 1)	(39)		00
Part IV		Other Direct Costs	
1. Salaries, wages and bonuses	(1)	00	8. Repairs
2. Social security tax (FICA)	(2)	00	9. Utilities
3. Unemployment tax	(3)	00	10. Depreciation (Submit Schedule E)
4. State Insurance Fund premiums	(4)	00	11. Other expenses (Submit detail)
5. Medical or hospitalization insurance	(5)	00	12. Total other direct costs (Add lines 1 through 11. Same as Part II, line 5)
6. Other insurance	(6)	00	
7. Excise taxes	(7)	00	

Conservation Period: Ten (10) years

Schedule M Incentives

Rev. 05.03



FULLY OR PARTIALLY EXEMPT INCOME UNDER ACT 57 OF 1963 OR ACT 26 OF 1978

To be filed with Form 480.30(II)

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

200__

Name	Case Number	Employer's Identification Number
Type of Business	Fully or partially exempt income under: ☐ Act 57 of 1963 Partially exempt income under: ☐ Act 26 of 1978	
Effective period for income: Begins: _____ Ends: _____	Number of jobs directly related with manufacture or designated service: Current: _____ Required: _____	

Part I Net Income Subject to Tax

1. Net operating income (or loss) for the year (Part III, line 39)	(1)		00
2. Less: Income from investments (See instructions)	(2)		00
3. Net industrial development income (Subtract line 2 from line 1. If line 3 is a net operating loss, do not continue . Enter zero (-0-) here and on line 10)	(3)		00
4. Net operating loss from the preceding year (See instructions. Submit detail)	(4)		00
5. Net industrial development income subject to special deductions (Subtract line 4 from line 3)	(5)		00
6. Special deductions for exempt business:			
a) Payroll deduction (See instructions Schedule M1 Incentives)	(6a)		00
b) Human resources training and improvement expense deduction	(6b)		00
c) Research and development expense deduction	(6c)		00
d) Investment on buildings, structures, machinery and equipment deduction	(6d)		00
e) Total deductions	(6e)		00
7. Net taxable industrial development income (Subtract line 6(e) from line 5. If it is a net operating loss, do not continue . Enter zero here and on line 10)	(7)		00
8. Basis period income under Act 135 (Schedule V Incentives, Part II, Line 4(a))	(8)		00
9. Exempt amount:			
(a) _____ % of line 7 (See instructions)	(9a)		00
(b) _____ % of line 8 if it is a renegotiated case under Act 135	(9b)		00
10. Net income subject to tax (Subtract line 9(a) from line 7, or line 9(b) from line 8, whichever applies. Enter here and on Schedule K Incentives, Part I, line 1(b))	(10)		00

Conservation Period: Ten (10) years

Part II		Gross Profit on Sales and Other Income	
1. Net sales	(1)		00
Less: Cost of goods sold or direct costs of production			
2. Inventory at the beginning of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(2a)		00
b) Goods in process	(2b)		00
c) Finished goods or merchandise	(2c)		00
3. Purchase of materials or merchandise	(3)		00
4. Direct wages	(4)		00
5. Other direct costs (Detail in Part IV)	(5)		00
6. Total cost of goods available for sale (Add lines 2 through 5)	(6)		00
7. Less: Inventory at end of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(7a)		00
b) Goods in process	(7b)		00
c) Finished goods or merchandise	(7c)		00
8. Gross profit on sales or production.....	(8)		00
9. Designated services income	(9)		00
10. Rent	(10)		00
11. Interest	(11)		00
12. Royalties	(12)		00
13. Other income (Submit detail)	(13)		00
14. Total gross income (Add lines 8 through 13)	(14)		00

Part III		Deductions and Net Operating Income	
15. Compensation to officers	(15)		00
16. Salaries, commissions and bonuses to employees	(16)		00
17. Commissions to businesses	(17)		00
18. Social security tax (FICA)	(18)		00
19. Unemployment tax	(19)		00
20. State Insurance Fund premiums	(20)		00
21. Medical or hospitalization insurance	(21)		00
22. Insurance	(22)		00
23. Interest	(23)		00
24. Rent	(24)		00
25. Property tax: (a) Personal _____ (b) Real _____	(25)		00
26. Other taxes, patents and licenses (Submit detail)	(26)		00
27. Losses from fire, storms, theft or other casualties	(27)		00
28. Motor vehicles expenses (Do not include depreciation)	(28)		00
29. Meal and entertainment expenses (Total _____) (See instructions)	(29)		00
30. Travel expenses	(30)		00
31. Professional services	(31)		00
32. Contributions to pensions or other qualified plans (See instructions)	(32)		00
33. Depreciation (See instructions. Submit Schedule E)	(33)		00
34. Bad debts (See instructions. Submit detail)	(34)		00
35. Charitable contributions	(35)		00
36. Repairs	(36)		00
37. Other deductions (See instructions. Submit detail)	(37)		00
38. Total deductions (Add lines 15 through 37)	(38)		00
39. Net operating income (or loss) for the year (Subtract line 38 from line 14. Enter here and in Part I, line 1)	(39)		00

Part IV		Other Direct Costs	
1. Salaries, wages and bonuses	(1)		00
2. Social security tax (FICA)	(2)		00
3. Unemployment tax	(3)		00
4. State Insurance Fund premiums	(4)		00
5. Medical or hospitalization insurance	(5)		00
6. Other insurance	(6)		00
7. Excise taxes	(7)		00
8. Cost sharing allocation	(8)		00
9. Repairs	(9)		00
10. Utilities	(10)		00
11. Depreciation (Submit Schedule E)	(11)		00
12. Other expenses (Submit detail)	(12)		00
13. Total other direct costs (Add lines 1 through 12. Same as Part II, line 5)	(13)		00



COMPUTATION OF THE SPECIAL DEDUCTIONS FOR EXEMPT BUSINESSES UNDER ACT 57 OF 1963 OR ACT 26 OF 1978

To be filed with Form 480.30(II)

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

200__

Name		Type of Decree: ☐ New ☐ Renegotiated	Employer's Identification Number	Case Number
Type of Business	Period in force for income: Begins: _____ Ends: _____	☐ Converted ☐ Extended	Number of jobs directly related with manufacture or designated service: Current: _____ Required: _____	

Part I	Computation of the special deductions	(a) Payroll Deduction (manufacture)	(b) Training and Improvement Expenses	(c) Research and Development Expenses	(d) Investment on Buildings, Structures and Machinery
1.	Deduction amount of the current year (1)	00	00	00	00
2.	Add line 1, columns (a) through (d) (2)	00			
3.	Industrial development income (Schedule M Inc., Part I, line 5) . (3)	00	00	00	00
(If line 2 is larger than line 3, do not continue . Complete Part II)					
4.	Less: Special deductions according with line 1:				
(a)	Payroll deduction (4a)		00	00	
(b)	Training and improvement expenses (4b)	00		00	
(c)	Research and development expenses (4c)	00	00		
(d)	Investment on buildings, structures and machinery (4d)	00	00	00	
(e)	Total lines 4(a) through 4(d) (4e)	00	00	00	
5.	Industrial development income to determine the amount of the deduction (Subtract line 4(e) from line 3) (5)	00	00	00	00
6.	Amount of deduction for:				
(a)	Payroll				
(1)	5% of the production payroll (Enter 5% of the production payroll up to 50% of line 5. See instructions) (6a1)	00			
(2)	If line 3 is less than \$500,000, enter \$100,000 here (If the exempt business is a member of a controlled group, see instructions) (6a2)	00			
(3)	Enter the larger of line 6(a)(1) or 6(a)(2) (6a3)	00			
(b)	Human resources training and improvement expenses (6b)		00		
(c)	Research and development expenses..... (6c)			00	
(d)	Investment on buildings, structures, machinery and equipment (6d)				00
7.	Total deductions:				
(a)	Current year (Lines 6(a)(3) through 6(d), as applicable) (7a)	00	00	00	00
(b)	Preceding years (7b)			00	00
(c)	Total (Add lines 7(a) and 7(b)) (7c)	00	00	00	00
8.	Allowable deductions (Line 7(c) up to the amount of line 5. If it is smaller than line 5, enter the amounts on Schedule M Incentives, Part I, line 6. If it is larger than line 5, complete Part II of this schedule) (8)	00	00	00	00
9.	Carryforward deductions to subsequent years (If line 7(c) is larger than line 5 and do not have to complete Part II) (See instructions) (9)			00	00

Conservation Period: Ten (10) years

Part II	Special Rules (Apply to the exempt business that is allowed to claim more than one of the deductions of Columns a, b, c and d of Part I, and the sum of said deductions is larger than the IDI of the year)		Limit for the year	Carryforward to future years
Order to claim the special deductions				
1. Industrial development income subject to special deductions (Schedule M Incentives, Part I, line 5)	(1)		00	
2. Less: Payroll deduction (only manufacture)				
(a) 5% of the production payroll (Up to 50% of line 1)	(2a)	00		
(b) If line 1 is less than \$500,000, enter \$100,000	(2b)	00		
(c) Enter the larger of line 2(a) or 2(b)	(2c)		00	
3. Industrial development income after the payroll deduction (Subtract line 2(c) from line 1. It cannot be less than zero)	(3)		00	
4. Enter line 2(c) but not to exceed the amount on line 1 (Enter on Schedule M Incentives, Part I, line 6(a))	(4)		00	
5. Industrial development income (Same as line 3)	(5)		00	
6. Less: Human resources training and improvement expenses deduction	(6)		00	
7. Industrial development income after deduction (Subtract line 6 from line 5. It cannot be less than zero)	(7)		00	
8. Enter line 6 but not to exceed the amount on line 5 (Enter on Schedule M Incentives, Part I, line 6(b))	(8)		00	
9. Industrial development income (Same as line 7)	(9)		00	
10. Less: Research and development expenses deduction				
(a) Preceding year	(10a)	00		
(b) Current year	(10b)	00		
(c) Total lines 10(a) and 10(b)	(10c)		00	
11. Industrial development income after deduction (Subtract line 10(c) from line 9. It cannot be less than zero)	(11)		00	
12. Enter line 10(c) but not to exceed the amount on line 9 (Enter on Schedule M Incentives, Part I, line 6(c))	(12)		00	
13. Excess of line 10(c) over line 9	(13)			00
14. Industrial development income (Same as line 11. It cannot be less than zero)	(14)		00	
15. Less: Special deduction for investment on buildings, structures, machinery and equipment				
(a) Preceding year	(15a)	00		
(b) Current year	(15b)	00		
(c) Total lines 15(a) and 15(b)	(15c)		00	
16. Industrial development income after deduction (Subtract line 15(c) from line 14. It cannot be less than zero)	(16)		00	
17. Enter line 15(c) but not to exceed the amount on line 14 (Enter on Schedule M Incentives, Part I, line 6(d))	(17)		00	
18. Excess of line 15(c) over line 14	(18)			00

Conservation Period: Ten (10) years

**Schedule N
Incentives**

Rev. 05.03

**PARTIALLY EXEMPT INCOME
UNDER ACT 8 OF 1987**

To be filed with Form 480.30(II)

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

200__

Name		Employer's Identification Number
Type of Business		Case Number
Effective period for income: Begins: _____ Ends: _____	Number of jobs directly related with manufacture or designated service: Current: _____ Required: _____	

Part I**Net Income Subject to Tax**

1. Net operating income (or loss) for the year (Part IV, line 39)	(1)		00
2. Less: Income from investments (See instructions)	(2)		00
3. Net industrial development income (Subtract line 2 from line 1. If it is a net operating loss, do not continue . Enter zero (-0-) here and on line 10)	(3)		00
4. Net operating loss from the preceding year (See instructions. Submit detail)	(4)		00
5. Net industrial development income subject to special deductions (Subtract line 4 from line 3)	(5)		00
6. Special deductions for exempt business:			
a) Payroll deduction (See instructions Schedule N1 Incentives)	(6a)		00
b) Human resources training and improvement expenses deduction	(6b)		00
c) Research and development expense deduction	(6c)		00
d) Investment on buildings, structures, machinery and equipment deduction	(6d)		00
e) Total deductions	(6e)		00
7. Net taxable industrial development income (Subtract line 6(e) from line 5. If it is a net operating loss, do not continue . Enter zero here and on line 10)	(7)		00
8. Basis period income under Act 135 (Schedule V Incentives, Part II, line 4(a))	(8)		00
9. Exempt amount:			
(a) _____ % of line 7 (See instructions)	(9a)		00
(b) _____ % of line 8 if it is a renegotiated case under Act 135	(9b)		00
10. Net income subject to tax (Subtract line 9(a) from line 7 or line 9(b) from line 8, whichever applies. Enter here and on Schedule K Incentives, Part I, line 1(c))	(10)		00

Part II**Special Surtax Section 3(a) of Act 8 of 1987 (See instructions)**

1. Enter the amount of Part III, line 14 (If it is larger than \$1,000,000).....	(1)		00
2. Enter the amount of Part III, lines 1, 9 and 10, whichever apply	(2)		00
3. Multiply line 2 by .00075	(3)		00
4. Net industrial development income (Part I, subtract line 4 from line 3)	(4)		00
5. Multiply line 4 by .005	(5)		00
6. Special surtax (Enter here and on Form 480.30(II), Part I, line 9, the smaller of line 3 or 5. In case of decrees renegotiated under Act 135 of 1997, enter the average special surtax paid on the years corresponding to the basis period)	(6)		00

Conservation Period: Ten (10) years

Part III		Gross Profit on Sales and Other Income	
1. Net sales	(1)		00
Less: Cost of goods sold or direct costs of production			
2. Inventory at the beginning of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(2a)	00	
b) Goods in process	(2b)	00	
c) Finished goods or merchandise	(2c)	00	
3. Purchase of materials or merchandise	(3)	00	
4. Direct wages	(4)	00	
5. Other direct costs (Detail in Part V)	(5)	00	
6. Total costs of goods available for sale (Add lines 2 through 5)	(6)	00	
7. Less: Inventory at the end of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(7a)	00	
b) Goods in process	(7b)	00	
c) Finished goods or merchandise	(7c)	00	00
8. Gross profit on sales or production	(8)		00
9. Designated services income	(9)		00
10. Rent	(10)		00
11. Interest	(11)		00
12. Royalties	(12)		00
13. Other income (Submit detail)	(13)		00
14. Total gross income (Add lines 8 through 13)	(14)		00

Part IV		Deductions and Net Operating Income	
15. Compensation to officers	(15)	00	
16. Salaries, commissions and bonuses to employees	(16)	00	
17. Commissions to businesses	(17)	00	
18. Social security tax (FICA)	(18)	00	
19. Unemployment tax	(19)	00	
20. State Insurance Fund premiums	(20)	00	
21. Medical or hospitalization insurance	(21)	00	
22. Insurance	(22)	00	
23. Interest	(23)	00	
24. Rent	(24)	00	
25. Property tax: (a) Personal _____ (b) Real _____	(25)	00	
26. Other taxes, patents and licenses (Submit detail)	(26)	00	
27. Losses from fire, storms, theft or other casualties	(27)	00	
28. Motor vehicles expenses (Do not include depreciation)	(28)	00	
29. Meal and entertainment expenses (Total _____) (See instructions)	(29)	00	
30. Travel expenses	(30)	00	
31. Professional services	(31)	00	
32. Contributions to pensions or other qualified plans (See instructions)	(32)	00	
33. Depreciation (See instructions. Submit Schedule E)	(33)	00	
34. Bad debts (See instructions. Submit detail)	(34)	00	
35. Charitable contributions	(35)	00	
36. Repairs	(36)	00	
37. Other deductions (See instructions. Submit detail)	(37)	00	
38. Total deductions (Add lines 15 through 37)	(38)		00
39. Net operating income (or loss) for the year (Subtract line 38 from line 14. Enter here and in Part I, line 1)	(39)		00

Part V		Other Direct Costs	
1. Salaries, wages and bonuses	(1)	00	
2. Social security tax (FICA)	(2)	00	
3. Unemployment tax	(3)	00	
4. State Insurance Fund premiums	(4)	00	
5. Medical or hospitalization insurance	(5)	00	
6. Other insurance	(6)	00	
7. Excise taxes	(7)	00	
8. Cost sharing allocation	(8)		00
9. Repairs	(9)		00
10. Utilities	(10)		00
11. Depreciation (Submit Schedule E)	(11)		00
12. Other expenses (Submit detail)	(12)		00
13. Total other direct costs (Add lines 1 through 12. Same as Part III, line 5)	(13)		00

Schedule N1
Incentives

Rev. 05.03



COMPUTATION OF THE SPECIAL DEDUCTIONS FOR EXEMPT BUSINESSES UNDER ACT 8 OF 1987

To be filed with Form 480.30(II)

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

200__

Name		Type of Decree: ☐ New ☐ Renegotiated	Employer's Identification Number	Case Number
Type of Business	Period in force for income: Begins: _____ Ends: _____	☐ Converted ☐ Extended	Number of jobs directly related with manufacture or designated service: Current: _____ Required: _____	

Part I	Computation of the special deductions	(a) Payroll Deduction (manufacture)	(b) Training and Improvement Expenses	(c) Research and Development Expenses	(d) Investment on Buildings, Structures and Machinery
1.	Deduction amount of the current year (1)				
2.	Add line 1, columns (a) through (d) (2)				
3.	Industrial development income (Schedule N Inc., Part I, line 5) (3)				
(If line 2 is larger than line 3, do not continue . Complete Part II)					
4.	Less: Special deductions according with line 1:				
(a)	Payroll deduction (4a)				
(b)	Training and improvement expenses (4b)				
(c)	Research and development expenses (4c)				
(d)	Investment on buildings, structures and machinery (4d)				
(e)	Total lines 4(a) through 4(d)..... (4e)				
5.	Industrial development income to determine the amount of the deduction (Subtract line 4(e) from line 3)..... (5)				
6.	Amount of deduction for:				
(a)	Payroll				
(1)	5% of the production payroll (Enter 5% of the production payroll up to 50% of line 5. Applies only to conversions under Section 3(i)(2) or 3(i)(3)) (6a1)				
(2)	15% of the production payroll (If line 3 is less than \$30,000 per production job, enter 15% of the production payroll up to 50% of line 5. Applies to new grants or conversions under Section 3(i)(1)) (6a2)				
(3)	If line 3 is less than \$500,000 and the corporation keeps an average of 15 or more employees, enter \$100,000 here (See instructions) (6a3)				
(4)	Enter the larger of line 6(a)1, 6(a)2 or 6(a)3) (6a4)				
(b)	Human resources training and improvement expenses..... (6b)				
(c)	Research and development expenses..... (6c)				
(d)	Investment on buildings, structures, machinery and equipment (6d)				
7.	Total deductions:				
(a)	Current year (Lines 6(a)4) through 6(d), as applicable) (7a)				
(b)	Preceding years..... (7b)				
(c)	Total (Add lines 7(a) and 7(b)) (7c)				
8.	Allowable deductions (Line 7(c) up to the amount of line 5. If it is smaller than line 5, enter the amounts on Schedule N Incentives, Part I, line 6. If it is larger than line 5, complete Part II of this schedule)..... (8)				
9.	Carryforward deductions to subsequent years (If line 7(c) is larger than line 5 and do not have to complete Part II) (See instructions)..... (9)				

Conservation Period: Ten (10) years

Part II	Special Rules (Apply to the exempt business that is allowed to claim more than one of the deductions of Columns a, b, c and d of Part I, and the sum of said deductions is larger than the IDI of the year)	Limit for the year	Carryforward to future years
Order to claim the special deductions			
1. Industrial development income subject to special deductions (Schedule N Incentives, Part I, line 5)	(1)	00	
2. Less: Payroll deduction (only manufacture)			
(a) 5% of the production payroll (Up to 50% of line 1)	(2a)	00	
(b) 15% of the production payroll (If line 1 is less than \$30,000 per production job up to 50% of line 1)	(2b)	00	
(c) If line 1 is less than \$500,000 and the corporation keeps an average of 15 persons or more employed, enter \$100,000	(2c)	00	
(d) Enter the larger of line 2(a), 2(b) or 2(c)	(2d)	00	
3. Industrial development income after the payroll deduction (Subtract line 2(d) from line 1. It cannot be less than zero)	(3)	00	
4. Enter line 2(d) but not to exceed the amount on line 1 (Enter on Schedule N Incentives, Part I, line 6(a))	(4)	00	
5. Industrial development income (Same as line 3)	(5)	00	
6. Less: Human resources training and improvement expenses deduction	(6)	00	
7. Industrial development income after deduction (Subtract line 6 from line 5. It cannot be less than zero)	(7)	00	
8. Enter line 6 but not to exceed the amount on line 5 (Enter on Schedule N Incentives, Part I, line 6(b))	(8)	00	
9. Industrial development income (Same as line 7)	(9)	00	
10. Less: Research and development expenses deduction			
(a) Preceding year	(10a)	00	
(b) Current year	(10b)	00	
(c) Total lines 10(a) and 10(b)	(10c)	00	
11. Industrial development income after deduction (Subtract line 10(c) from line 9. It cannot be less than zero)	(11)	00	
12. Enter line 10(c) but not to exceed the amount on line 9 (Enter on Schedule N Incentives, Part I, line 6(c))	(12)	00	
13. Excess of line 10(c) over line 9	(13)		00
14. Industrial development income (Same as line 11. It cannot be less than zero)	(14)	00	
15. Less: Special deduction for investment on buildings, structures, machinery and equipment			
(a) Preceding year	(15a)	00	
(b) Current year	(15b)	00	
(c) Total lines 15(a) and 15(b)	(15c)	00	
16. Industrial development income after deduction (Subtract line 15(c) from line 14. It cannot be less than zero)	(16)	00	
17. Enter line 15(c) but not to exceed the amount on line 14 (Enter on Schedule N Incentives, Part I, line 6(d))	(17)	00	
18. Excess of line 15(c) over line 14	(18)		00

Conservation Period: Ten (10) years

**Schedule O
Incentives**

Rev. 05.03

**OPTIONAL INCOME TAX FOR EXEMPT
BUSINESSES PURSUANT TO SECTION 3A
OF ACT 8 OF 1987**

To be filed with Form 480.30(II)

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

200__

Name

Employer's Identification Number

Type of Business

Case Number

Part I**Questionnaire****Yes No**

If the exempt business has more than one grant and the grants provide different tax exemption rates for income tax, a Schedule O Incentives must be completed for each one. **Number of Schedules O Incentives submitted:**

1. Do you have the approved election pursuant Section 3A of Act 8 of 1987? If you answered "Yes", continue completing this Schedule. If you answered "No", **do not continue** (1)
2. Is this the first year of such election? If "Yes", submit a copy of the approved election (2)
3. Did you or will you make an investment of at least 25% of your net industrial development income within the time required, in 2(j) investments for at least 5 years? (For these purposes, the net IDI does not include 2(j) investments income) (3)
4. Did you or will you make an investment of at least 50% of your net industrial development income within the time required, in 2(j) investments for at least 5 years? (For these purposes, the net IDI does not include 2(j) investments income) (4)

Part II**Computation of Optional Tax**

1. Net industrial development income (Schedules M Inc. or N Inc., Part I, line 7 or 8, whichever applies) (1) 00
2. Add interest income from certain 2(j) investments (See instructions) (2) 00
3. Total net industrial development income subject to tax (Add lines 1 and 2) (3) 00
4. Tax rate before investment credits (Check the applicable box):
- ☐ a) Exempt business is 90% exempt (Enter 14% on line 4(c), do not complete line 4(b)) (4a) 14%
- ☐ b) Exempt business is less than 90% exempt (Complete lines 4(b)(2) through 4(b)(4))
- (1) % base exemption (4b1) 90%
- (2) Case number _____ Income tax exemption (4b2) %
- (3) Subtract line 4(b)(2) from line 4(b)(1) (4b3) %
- (4) Multiply line 4(b)(3) by 45% (4b4) %
- c) Add percentage on lines 4(a) and 4(b)(4) (4c) %
- d) Other upfront taxes (4d) %
- e) Tax rate before investment credits (Enter the smaller of line 4(c) or 4(d)) (4e) %
5. Less investment credits (If you answered "Yes" in Part I, question 3, enter 3%. If you answered "Yes" in Part I, question 4, enter 5%) (5) %
6. Tax rate after credits (Subtract line 5 from line 4(e)) (6) %
7. Total tax (Multiply line 3 by percentage on line 6) (7) 00
8. Recapture of investment credit claimed in excess (Schedule B Incentives, line 3) (8) 00
9. Less credits:
- a) Special credits granted (Art 41A-6)(Do not exceed 50% of line 7) (9a) 00
- b) Other credits (See instructions) (9b) 00
- c) Total credits (Add lines 9(a) and 9(b)) (9c) 00
10. **Total tax liability** (Subtract line 9(c) from the sum of lines 7 and 8. Enter difference here and on Form 480.30(II), Part I, line 1(b)) (10) 00

Conservation Period: Ten (10) years

**Schedule P
Incentives**

Rev. 05.03

**INCOME FROM FULLY TAXABLE OPERATIONS OR
PARTIALLY EXEMPT INCOME UNDER ACT 148 OF
1988, ACT 75 OF 1995, ACT 225 OF 1995, ACT 14 OF 1996
AND ACT 178 OF 2000**

To be filed with Form 480.30(II)

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

200__

Name

Case Number

Employer's Identification Number

Type of Business

☐ **Income from fully taxable operations**☐ Partially exempt income under: ☐ Act 178 of 2000☐ Act 148 of 1988 ☐ Act 225 of 1995☐ Act 75 of 1995 ☐ Act 14 of 1996**Part I****Net Income Subject to Tax**

1. Net operating income (or loss) for the year (Part III, line 44)	(1)		00
2. Net operating loss deduction from the preceding year (See instructions. Submit detail)	(2)		00
3. Net operating income (or loss) before exemptions (Subtract line 2 from line 1)	(3)		00
4. Exempt amount: % of line 3 (Only apply to partially exempt income under Act 148, Act 75, Act 225 and Act 14. See instructions)	(4)		00
5. Net income before credit for dividends or profits received from domestic corporations or partnerships	(5)		00
6. Less: Credit for dividends or profits received from domestic corporations or partnerships (See instructions).	(6)		00
7. Net income subject to tax (Subtract line 6 from line 5. Enter here and on Schedule K Incentives, Part I, line 1(d))	(7)		00

Part II**Gross Profit on Sales and Other Income**

1. Net sales	(1)		00
Less: Cost of goods sold or direct costs of production			
2. Inventory at the beginning of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(2a)		00
b) Goods in process	(2b)		00
c) Finished goods or merchandise	(2c)		00
3. Purchase of materials and merchandise	(3)		00
4. Direct wages	(4)		00
5. Other direct costs (Detail in Part IV)	(5)		00
6. Total goods available for sale (Add lines 2 through 5)	(6)		00
7. Less: Inventory at end of year ☐ "C" ☐ "C" or "MV"			
a) Materials	(7a)		00
b) Goods in process	(7b)		00
c) Finished goods or merchandise	(7c)		00
8. Gross profit on sales or production	(8)		00
9. Net capital gain (Schedule D Corporation and Partnership)	(9)		00
10. Net gain (or loss) from the sale or exchange of property other than capital assets (Schedule D Corporation and Partnership)	(10)		00
11. Rent	(11)		00
12. Interest	(12)		00
13. Dividends from corporations and partnerships distributions (a) Domestic _____ (b) Foreign _____	(13)		00
14. Distributable share of net income (or loss) from special partnerships	(14)		00
15. Other income (Submit detail)	(15)		00
16. Casino's income	(16)		00
17. Total gross income (Add lines 8 through 16)	(17)		00

Conservation Period: Ten (10) years

Part III		Deductions and Net Operating Income	
18. Compensation to officers	(18)		00
19. Salaries, commissions and bonuses to employees	(19)		00
20. Commissions to businesses	(20)		00
21. Social security tax (FICA)	(21)		00
22. Unemployment tax	(22)		00
23. State Insurance Fund premiums	(23)		00
24. Medical or hospitalization insurance	(24)		00
25. Insurance	(25)		00
26. Interest	(26)		00
27. Rent	(27)		00
28. Property tax: (a) Personal _____ (b) Real _____	(28)		00
29. Other taxes, patents and licenses (Submit detail)	(29)		00
30. Losses from fire, storms, theft or other casualties	(30)		00
31. Motor vehicles expenses (Do not include depreciation)	(31)		00
32. Meal and entertainment expenses (Total _____) (See instructions)	(32)		00
33. Travel expenses	(33)		00
34. Professional services	(34)		00
35. Contributions to pensions or other qualified plans (See instructions)	(35)		00
36. Depreciation (See instructions. Submit Schedule E)	(36)		00
37. Flexible depreciation (See instructions. Submit Schedule E)	(37)		00
38. Accelerated depreciation (See instructions. Submit Schedule E)	(38)		00
39. Bad debts (See instructions. Submit detail)	(39)		00
40. Charitable contributions	(40)		00
41. Repairs	(41)		00
42. Other deductions (See instructions. Submit detail)	(42)		00
43. Total deductions (Add lines 18 through 42)	(43)		00
44. Net operating income (or loss) for the year (Subtract line 43 from line 17. Enter in Part I, line 1)	(44)		00

Part IV		Other Direct Costs			
1. Salaries, wages and bonuses	(1)	00	9. Utilities	(9)	00
2. Social security tax (FICA)	(2)	00	10. Current depreciation (Schedule E)	(10)	00
3. Unemployment tax	(3)	00	11. Flexible depreciation (Schedule E)	(11)	00
4. State Insurance Fund premiums	(4)	00	12. Accelerated depreciation (Schedule E)	(12)	00
5. Medical or hospitalization insurance	(5)	00	13. Other expenses (Submit detail)	(13)	00
6. Other insurance	(6)	00	14. Total other direct costs (Add lines 1 through		
7. Excise taxes	(7)	00	13. Same as Part II, line 5)	(14)	00
8. Repairs	(8)	00			

Conservation Period: Ten (10) years

Shedule T Incentives

Rev. 05.03

**ADDITION TO THE TAX FOR FAILURE TO PAY ESTIMATED TAX IN
CASE OF EXEMPT BUSINESSES UNDER THE PUERTORICO
INCENTIVES PROGRAMS**

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

200__

Taxpayer's Name

Employer's Identification Number

Part I**Estimated Tax Required**

1. Tax liability (See instructions)	(1)		00
2. Credits and overpayments (See instructions)	(2)		00
3. Estimated tax (Subtract line 2 from line 1. If it is zero or less, do not complete this Schedule)	(3)		00
4. Line 1 multiplied by 90%	(4)		00
5. Subtract line 2 from line 4 (If it is zero or less, enter zero)	(5)		00
6. Tax to be paid based on the income tax return from previous year (See instructions)	(6)		00
7. Tax to be paid based on the income tax return from previous year determined according to the rates corresponding to the current taxable year (See instructions)	(7)		00
8. Enter the smaller of lines 5, 6 and 7	(8)		00

Section A - Estimated Tax to Be Paid per Installment Placing the Net Income on an Annual Basis

	First ____ months	First ____ months	First ____ months	First ____ months
9. Basis Period (See instructions)	(9)			
10. Enter the net income for each basis period	(10)	00	00	00
11. Divide line 10 between the number of months of the basis period on line 9	(11)	00	00	00
12. Net income placed on an annual basis (Multiply line 11 by 12)	(12)	00	00	00
13. Determine the normal tax on the net income placed on an annual basis of line 12 (See instructions)	(13)	00	00	00
14. Determine the additional tax on the net income placed on an annual basis of line 12 (See instructions)	(14)	00	00	00
15. Determine the recapture on the net income placed on an annual basis of line 12 (See instructions)	(15)	00	00	00
16. Enter the recapture of investment credit claimed in excess or others ...	(16)	00	00	00
17. Determine the alternative minimum tax only on the fully taxable operations net income placed on an annual basis of line 12	(17)	00	00	00
18. Total annual basis tax (Add lines 13 through 17)	(18)	00	00	00
19. Multiply line 18 by 90%	(19)	00	00	00
20. Enter the credits and other payments per period (See instructions)	(20)	00	00	00
21. Estimated Tax to be Paid (Subtract line 20 from line 19. If it is less than zero, enter zero)	(21)	00	00	00
22. Add the amounts of all previous columns of line 29 (See instructions)	(22)		00	00
23. Subtract line 22 from line 21 (If it is less than zero, enter zero)	(23)	00	00	00
24. Number of installments	(24)	4	3	2
25. Estimated Tax to be Paid per Installment Placing the Net Income on an Annual Basis (Line 23 divided by line 24)	(25)	00	00	00

Section B - Estimated Tax Required

26. Subtract line 22 from line 8	(26)	00	00	00	00
27. Number of installments	(27)	4	3	2	1
28. Line 26 divided by line 27	(28)	00	00	00	00
29. Installment of Required Minimum Estimated Tax (Enter the smaller of line 25 and line 28. Transfer to line 31)	(29)	00	00	00	00

Conservation Period: Ten (10) years

Part II		Failure to Pay		(a)	(b)	(c)	(d)
				First Installment	Second Installment	Third Installment	Fourth Installment
30. Due date (See instructions)							
☐ CALENDAR YEAR ☐ FISCAL YEAR (Enter the corresponding dates) (30)							
31. Amount of minimum estimated tax per installment (If you completed Section A and B of Part I, enter line 29. Otherwise, see instructions) (31)				00	00	00	00
32. Amount of estimated tax paid per installment (See instructions) (32)				00	00	00	00
33. Payment date (See instructions) (33)							
34. Line 40 from previous column (34)					00	00	00
35. Add lines 32 and 34 (35)				00	00	00	00
36. Subtract line 31 from line 35 (If it is zero or less, enter zero) (36)				00	00	00	00
37. Failure to Pay (If line 36 is zero, subtract line 35 from line 31. Otherwise, enter zero) (37)				00	00	00	00
38. Add lines 37 and 39 from previous column (38)					00	00	
39. If line 38 is equal or larger than line 36, subtract line 36 from line 38 and go to line 34 of next column. Otherwise, go to line 40 (39)					00	00	
40. Overpayment. (If line 36 is larger than line 38, subtract line 38 from line 36, and go to line 34 of next column. Otherwise, enter zero) (40)				00	00	00	

Part III		Addition to the Tax for Failure to Pay	
41. Multiply line 37 by 20% (See instructions) (41)		00	00
42. Number of days from the due date to the payment date (See instructions) (42)			
43. <u>Line 42</u> 365 X line 41 (See instructions) (43)		00	00
44. Addition to the Tax for Failure to Pay (Add the amounts from columns of line 43. Transfer to page 1, Part I, line 3 of the return) (44)			00

Part IV		Tables to Calculate the Addition to the Tax for Failure to Pay the Installments of Estimated Tax	
TABLE 1 - Payments to Meet the First Installment Made After its Due Date (_____)			
Amount due and not paid before the payment (a)	Amount of payment or overpayment (b)	Date of payment or overpayment (c)	Multiply (a) by 20% by $\frac{(d)}{365}$ (e)
00	00		00
00	00		00
00	00		00
Total: Add Column (e) and transfer to Part III, line 43, Column (a)			00
TABLE 2 - Payments to Meet the Second Installment Made After its Due Date (_____)			
Amount due and not paid before the payment (a)	Amount of payment or overpayment (b)	Date of payment or overpayment (c)	Multiply (a) by 20% by $\frac{(d)}{365}$ (e)
00	00		00
00	00		00
00	00		00
Total: Add Column (e) and transfer to Part III, line 43, Column (b)			00
TABLE 3 - Payments to Meet the Third Installment Made After its Due Date (_____)			
Amount due and not paid before the payment (a)	Amount of payment or overpayment (b)	Date of payment or overpayment (c)	Multiply (a) by 20% by $\frac{(d)}{365}$ (e)
00	00		00
00	00		00
00	00		00
Total: Add Column (e) and transfer to Part III, line 43, Column (c)			00
TABLE 4 - Payments to Meet the Fourth Installment Made After its Due Date (_____)			
Amount due and not paid before the payment (a)	Amount of payment or overpayment (b)	Date of payment or overpayment (c)	Multiply (a) by 20% by $\frac{(d)}{365}$ (e)
00	00		00
00	00		00
00	00		00
Total: Add Column (e) and transfer to Part III, line 43, Column (d)			00

**Schedule V
Incentives**

Rev. 05.03

**INCOME TAX FOR EXEMPT BUSINESSES UNDER
ACT 135 OF 1997**

To be filed with Form 480.30(II)

200__

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

Name	Type of Decree: ☐ New ☐ Renegotiated	Employer's Identification Number
Type of Business	☐ Converted ☐ Extended	Case Number
Effective period for income: Begins: _____ Ends: _____	Number of jobs directly related with the manufacture or designated service: Current: _____ Required: _____	

Part I Questionnaire (Applies only to renegotiated cases)

	Yes	No
1. Were you under the optional tax in any of the years included in the computation of the basis period average income? (See instructions)..... (1)		
Rate % ☐ Option 3A; Years _____ ☐ Others; Years _____		
2. Was the 2(j) income subject to tax during all the years included in the computation of the basis period average income? (See instructions)..... (2)		
Rate % ☐ Option 3A (Enter the amount from Part II, line 4(b) of this schedule on Schedule O Incentives, Part II, line 2) ☐ Others (Specify) _____		
3. Was the 2(j) income subject to tax during any of the years included in the computation of the basis period average income? (See instructions)..... (3)		
Rate % ☐ Option 3A; Years _____ ☐ Others; Years _____		

Part II Computation of the Basis Period Average Income (Applies only to renegotiated cases)

1. Industrial development income from the last 5 years before the renegotiation (Part I, lines 2 and 7 of Schedules M Incentives and N Incentives, or Part II, lines 1 and 2 of Schedule O Incentives)										
Year	_____		_____		_____		_____		_____	
(a) IDI		00		00		00		00		00
(b) 2(j)		00		00		00		00		00
							(a) IDI		(b) 2(j)	
2. Average income of the 3 years with the highest income (2)								00		00
3. Industrial development income from the year preceding the renegotiation (3)								00		
4. Basis period income (The larger of line 2 or 3. See instructions) (4)								00		00

Part III Net Income Subject to Tax

1. Net operating income (or loss) for the year (Part VI, line 39)..... (1)		00
2. Less: Investments income (See instructions) (2)		00
3. Total industrial development income (or loss) (Subtract line 2 from line 1. If an operating loss, do not continue . Enter zero (-0-) here and on line 5)..... (3)		00
4. Net operating loss from preceding year (See instructions)..... (4)		00
5. Net industrial development income subject to special deductions (Subtract line 4 from line 3. If it is equal or smaller than 0, do not continue) (5)		00
6. Special deductions for exempt businesses:		
a) Payroll deduction (See instructions Schedule V1 Incentives)..... (6a)		00
b) Human resources training and improvement expense deduction (6b)		00
c) Research and development expense deduction..... (6c)		00
d) Investment on buildings, structures, machinery and equipment deduction (6d)		00
e) Total deductions (6e)		00
7. Net industrial development income after deductions (Subtract line 6(e) from line 5) (7)		00
8. Less: Basis period income (Part II, line 4, Column (a). See instructions) (8)		00
9. Net industrial development income subject to tax (Subtract line 8 from line 7. See instructions) (9)		00

Part IV Tax Computation

1. Fixed tax rate on IDI: (1a) ☐ 7% (1b) ☐ 4% (1c) ☐ other %		
2. Total tax (Multiply line 9 by line 1) (2)		00
3. Recapture of investment credit claimed in excess (Schedule B Incentives, line 3) (3)		00
4. Less credits:		
a) Special credits granted (Art. 41A-6) (Do not exceed 50% of line 2) (4a)		00
b) Credit for products manufactured in PR (See instructions) (4b)		00
c) Credit for losses of U.S. parent company (See instructions) (4c)		00
d) Credit for royalties (4d)		00
e) Other applicable credits (4e)		00
f) Total credits (Add lines 4(a) through 4(e)) (4f)		00
5. Total tax liability (Subtract line 4(f) from the sum of lines 2 and 3. Enter the difference here and on Form 480.30(II), Part I, line 1(c)) .. (5)		00
6. Enter here: 95% of line 5 (6a) 00 and 5% of line 5 (6b)		00

Part V		Gross Profit on Sales and Other Income	
1. Net sales	(1)		00
Less: Cost of goods sold or direct costs of production			
2. Inventory at the beginning of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(2a)		00
b) Goods in process	(2b)		00
c) Finished goods or merchandise	(2c)		00
3. Purchase of materials or merchandise	(3)		00
4. Direct wages	(4)		00
5. Other direct costs (Detail in Part VII)	(5)		00
6. Total cost of goods available for sale (Add lines 2 through 5)	(6)		00
7. Less: Inventory at the end of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(7a)		00
b) Goods in process	(7b)		00
c) Finished goods or merchandise	(7c)		00
8. Gross profit on sales or production	(8)		00
9. Designated services income	(9)		00
10. Rent	(10)		00
11. Interest	(11)		00
12. Royalties	(12)		00
13. Other income (Submit detail)	(13)		00
14. Total gross income (Add lines 8 through 13)	(14)		00

Part VI		Deductions and Net Operating Income	
15. Compensation to officers	(15)		00
16. Salaries, commissions and bonuses to employees	(16)		00
17. Commissions to businesses	(17)		00
18. Social security tax (FICA)	(18)		00
19. Unemployment tax	(19)		00
20. State Insurance Fund premiums	(20)		00
21. Medical or hospitalization insurance	(21)		00
22. Insurance	(22)		00
23. Interest	(23)		00
24. Rent	(24)		00
25. Property tax: (a) Personal _____ (b) Real _____	(25)		00
26. Other taxes, patents and licenses (Submit detail)	(26)		00
27. Losses from fire, hurricane, theft or other casualties	(27)		00
28. Motor vehicles expenses (Do not include depreciation)	(28)		00
29. Meal and entertainment expenses (Total _____) (See instructions)	(29)		00
30. Travel expenses	(30)		00
31. Professional services	(31)		00
32. Contributions to pension or other qualified plans (See instructions)	(32)		00
33. Depreciation (See instructions. Submit Schedule E)	(33)		00
34. Bad debts (See instructions. Submit detail)	(34)		00
35. Charitable contributions	(35)		00
36. Repairs	(36)		00
37. Other deductions (See instructions. Submit detail)	(37)		00
38. Total deductions (Add lines 15 through 37)	(38)		00
39. Net operating income (or loss) for the year (Subtract line 38 from line 14. Enter here and in Part III, line 1)	(39)		00

Part VII		Other Direct Costs	
1. Salaries, wages and bonuses	(1)		00
2. Social security tax (FICA)	(2)		00
3. Unemployment tax	(3)		00
4. State Insurance Fund premiums	(4)		00
5. Medical or hospitalization insurance	(5)		00
6. Other insurances	(6)		00
7. Excise taxes	(7)		00
8. Cost sharing allocation	(8)		00
9. Repairs	(9)		00
10. Utilities	(10)		00
11. Depreciation (Submit Schedule E)	(11)		00
12. Other expenses (Submit detail)	(12)		00
13. Total other direct costs (Add lines 1 through 12. Enter in Part V, line 5)	(13)		00

Schedule V1
Incentives

Rev. 05.03



COMPUTATION OF THE SPECIAL DEDUCTIONS FOR EXEMPT BUSINESSES UNDER ACT 135 OF 1997

To be filed with Form 480.30(II)

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

200__

Name		Type of Decree: ☐ New ☐ Renegotiated	Employer's Identification Number	Case Number
Type of Business	Period in force for income: Begins: _____ Ends: _____	☐ Converted ☐ Extended	Number of jobs directly related with manufacture or designated service: Current: _____ Required: _____	

Part I	Computation of the special deductions	(a) Payroll Deduction (manufacture)	(b) Training and Improvement Expenses	(c) Research and Development Expenses	(d) Investment on Buildings, Structures and Machinery
1.	Deduction amount of the current year (1)				
2.	Add line 1, columns (a) through (d) (2)				
3.	Industrial development income (Schedule V Inc., Part III, line 5) (3)				
(If line 2 is larger than line 3, do not continue . Complete Part II)					
4.	Less: Special deductions according with line 1:				
	(a) Payroll deduction (4a)				
	(b) Training and improvement expenses (4b)				
	(c) Research and development expenses (4c)				
	(d) Investment on buildings, structures and machinery (4d)				
	(e) Total lines 4(a) through 4(d) (4e)				
5.	Industrial development income to determine the amount of the deduction (Subtract line 4(e) from line 3) (5)				
6.	Amount of deduction for:				
	(a) Payroll				
	(1) 15% of the production payroll up to 50% of line 5 (6a1)				
	(2) If line 3 is less than \$500,000 and keep an average of 15 or more employees, enter \$100,000 (6a2)				
	(3) Enter the larger of line 6(a)(1) or 6(a)(2) (6a3)				
	(b) Human resources training and improvement expenses (6b)				
	(c) Research and development expenses (6c)				
	(d) Investment on buildings, structures, machinery and equipment (6d)				
7.	Total deductions:				
	(a) Current year (Line 6(a)(3) through 6(d), as applicable) (7a)				
	(b) Preceding years (7b)				
	(c) Total (Add lines 7(a) and 7(b)) (7c)				
8.	Allowable deductions (Line 7(c) up to the amount of line 5. If it is smaller than line 5, enter the amounts on Schedule V Incentives, Part III, line 6. If it is larger than line 5, complete Part II of this schedule) (8)				
9.	Carryforward deductions to subsequent years (If line 7(c) is larger than line 5 and do not have to complete Part II) (See instructions)..... (9)				

Conservation Period: Ten (10) years

Part II	Special Rules (Apply to the exempt business that is allowed to claim more than one of the deductions of Columns a, b, c and d of Part I, and the sum of said deductions is larger than the IDI of the year)	Limit for the year	Carryforward to future years
Order to claim the special deductions			
1.	Industrial development income subject to special deductions (Schedule V Incentives, Part III, line 5) (1)	00	
2.	Less: Payroll deduction (only manufacture)		
	(a) 15% of the production payroll (If line 1 is less than \$30,000 per production job up to 50% of line 1) (2a)	00	
	(b) If line 1 is less than \$500,000 and the corporation keeps an average of 15 persons or more employed, enter \$100,000 (2b)	00	
	(c) Enter the larger of line 2(a) or 2(b) (2c)	00	
3.	Industrial development income after the payroll deduction (Subtract line 2(c) from line 1. It cannot be less than zero) (3)	00	
4.	Enter line 2(c) but not to exceed the amount on line 1 (Enter on Schedule V Incentives, Part III, line 6(a)) (4)	00	
5.	Industrial development income (Same as line 3) (5)	00	
6.	Less: Human resources training and improvement expenses deduction (6)	00	
7.	Industrial development income after deduction (Subtract line 6 from line 5. It cannot be less than zero) (7)	00	
8.	Enter line 6 but not to exceed the amount on line 5 (Enter on Schedule V Incentives, Part III, line 6(b)) (8)	00	
9.	Industrial development income (Same as line 7) (9)	00	
10.	Less: Research and development expenses deduction		
	(a) Preceding year (10a)	00	
	(b) Current year (10b)	00	
	(c) Total lines 10(a) and 10(b) (10c)	00	
11.	Industrial development income after deduction (Subtract line 10(c) from line 9. It cannot be less than zero) (11)	00	
12.	Enter line 10(c) but not to exceed the amount on line 9 (Enter on Schedule V Incentives, Part III, line 6(c)) (12)	00	
13.	Excess of line 10(c) over line 9 (13)		00
14.	Industrial development income (Same as line 11. It cannot be less than zero) (14)	00	
15.	Less: Special deduction for investment on buildings, structures, machinery and equipment		
	(a) Preceding year (15a)	00	
	(b) Current year (15b)	00	
	(c) Total lines 15(a) and 15(b) (15c)	00	
16.	Industrial development income after deduction (Subtract line 15(c) from line 14. It cannot be less than zero) (16)	00	
17.	Enter line 15(c) but not to exceed the amount on line 14 (Enter on Schedule V Incentives, Part III, line 6(d)) (17)	00	
18.	Excess of line 15(c) over line 14 (18)		00

Conservation Period: Ten (10) years

**Schedule W
Incentives**

Rev. 05.03

**INCOME TAX
FILM ENTITY
UNDER ACT 362 OF 1999**

To be filed with Form 480.30(II)

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

200__

Name	Employer's Identification Number
Type of Business	Case Number

Part I Net Income Subject to Tax

1. Net operating income (or loss) for the year (Part IV, line 39)	(1)		00
2. Net operating loss deduction for the preceding year (See instructions. Submit detail)	(2)		00
3. Net operating income (or loss) (Subtract line 2 from line 1)	(3)		00

Part II Computation of Tax

4. Fixed income tax rate	(4)		7%
5. Tax (Multiply line 3 by line 4) Enter here and on Form 480.30(II), Part I, line 1(d))	(5)		00
6. Recapture of investment credit claimed in excess (Schedule B Incentives, line 3)	(6)		00
7. Total tax (Add lines 5 and 6)	(7)		00

Part III Gross Profit on Sales and Other Income

1. Net sales	(1)		00
Less: Cost of goods sold or direct costs of production			
2. Inventory at the beginning of the year ☐ "C" ☐ "C" or "MV"			
a) Materials	(2a)		00
b) Goods in process	(2b)		00
c) Finished goods or merchandise	(2c)		00
3. Purchase of materials or merchandise	(3)		00
4. Direct wages	(4)		00
5. Other direct costs (Detail in Part V)	(5)		00
6. Total cost of goods available for sale (Add lines 2 through 5)	(6)		00
7. Less: Inventory at end of year ☐ "C" ☐ "C" or "MV"			
a) Materials	(7a)		00
b) Goods in process	(7b)		00
c) Finished goods or merchandise	(7c)		00
8. Gross profit on sales or production	(8)		00
9. Capital assets gains (Submit Schedule D Corporation and Partnership)	(9)		00
10. Net gain (or loss) from the sale or exchange of property other than capital assets (Submit Schedule D Corporation and Partnership)	(10)		00
11. Interest	(11)		00
12. Rent	(12)		00
13. Other income (Submit detail)	(13)		00
14. Total gross income (Add lines 8 through 13)	(14)		00

Conservation Period: Ten (10) years

Part IV		Deductions and Net Operating Income	
15. Compensation to officers	(15)		00
16. Salaries, commissions and bonuses to employees	(16)		00
17. Commissions to businesses	(17)		00
18. Social security tax (FICA)	(18)		00
19. Unemployment tax	(19)		00
20. State Insurance Fund premiums	(20)		00
21. Medical or hospitalization insurance	(21)		00
22. Insurance	(22)		00
23. Interest	(23)		00
24. Rent	(24)		00
25. Property tax: (a) Personal _____ (b) Real _____	(25)		00
26. Other taxes, patents and licenses (Submit detail)	(26)		00
27. Losses from fire, storms, theft or other casualties	(27)		00
28. Motor vehicles expenses (Do not include depreciation)	(28)		00
29. Meal and entertainment expenses (Total _____) (See instructions) ...	(29)		00
30. Travel expenses	(30)		00
31. Professional services	(31)		00
32. Contributions to pension or other qualified plans (See instructions)	(32)		00
33. Depreciation (See instructions. Submit Schedule E)	(33)		00
34. Bad debts (See instructions. Submit detail)	(34)		00
35. Charitable contributions	(35)		00
36. Repairs	(36)		00
37. Other deductions (See instructions. Submit detail)	(37)		00
38. Total deductions (Add lines 15 through 37)	(38)		00
39. Net operating income (or loss) for the year (Subtract line 38 from line 14. Enter here and in Part I, line 1)	(39)		00

Part V		Other Direct Costs			
1. Salaries, wages and bonuses	(1)	00	8. Repairs	(8)	00
2. Social security tax (FICA)	(2)	00	9. Utilities	(9)	00
3. Unemployment tax	(3)	00	10. Depreciation (Submit Schedule E)	(10)	00
4. State Insurance Fund premiums	(4)	00	11. Other expenses (Submit detail)	(11)	00
5. Medical or hospitalization insurance	(5)	00	12. Total other direct costs (Add lines 1 through 11. Same as Part III, line 5)	(12)	00
6. Other insurance	(6)	00			
7. Excise taxes	(7)	00			

Conservation Period: Ten (10) years

Formulario 480-E Form Rev. 05.03 		DECLARACION DE CONTRIBUCION ESTIMADA ESTIMATED TAX DECLARATION Año que comienza el ____ de ____ de ____ y termina el ____ de ____ de ____ Year beginning on ____ of ____ and ending on ____ of ____		PARA USO OFICIAL FOR OFFICIAL USE Número de Serie - Serial Number	
Número de Seguro Social o Identificación Patronal Social Security or Employer's Identification Number			☐ Individuo Individual	☐ Corporación Corporation	☐ Sociedad Partnership
Nombre y dirección del contribuyente - Taxpayer's name and address				☐ Declaración Enmendada Amended Declaration Sello de Recibo Receipt Stamp	
1. Total Contribución Estimada Total Estimated Tax			00		
2. Crédito Estimado por Cantidades Retenidas o Pagadas Estimated Credit for Amounts Withheld or Paid			00		
3. Contribución Estimada Ajustada (Línea 1 menos línea 2) Adjusted Estimated Tax (Subtract line 2 from line 1)			00		
4. Crédito por Contribución Pagada en Exceso Credit for Tax Paid in Excess			00		
5. Contribución Estimada a Pagar (Línea 3 menos línea 4) Estimated Tax to be Paid (Subtract line 4 from line 3)			00		
6. Importe de cada Plazo Amount of each Installment					00
7. Crédito por Contribución Pagada en Exceso No Reclamado en línea 4 Credit for Tax Paid in Excess not Claimed on line 4					00
8. Balance a Pagar: Balance to be paid:	(a)	Primer Plazo First Installment		00	
	(b)	Segundo Plazo Second Installment		00	
	(c)	Tercer Plazo Third Installment		00	
	(d)	Cuarto Plazo Fourth Installment		00	
JURAMENTO - OATH					
Declaro bajo penalidad de perjurio que esta declaración ha sido examinada por mí y que según mi mejor información y creencia es cierta, correcta y completa. I hereby declare under penalty of perjury that this declaration has been examined by me and to the best of my knowledge and belief is true, correct and complete.					
Firma del Contribuyente o Representante Autorizado Taxpayer's or Duly Authorized Agent's Signature			Título - Title		
Fecha - Date					
INFORMACION IMPORTANTE AL RENDIR ESTA DECLARACION IMPORTANT INFORMATION WHEN FILING THIS DECLARATION  No deberá ser enviada con la planilla. It should not be sent with the return.  Se rinde por separado en la Colecturía del Municipio donde reside o se envía al: DEPARTAMENTO DE HACIENDA PO BOX 9022501 SAN JUAN PR 00902-2501. Must be filed separately at the Internal Revenue Collections Office of the Municipality where you reside or sent to: DEPARTMENT OF THE TREASURY PO BOX 9022501 SAN JUAN PR 00902-2501.  Recuerde que si tiene la obligación de rendir una Declaración de Contribución Estimada, no podrá acogerse al beneficio de pagar el balance pendiente de pago de la contribución en dos plazos. Remember that if you are required to file an Estimated Tax Declaration, you are not entitled to the benefit of paying the balance of tax due in two installments.					
Período de Conservación: Diez (10) años - Conservation Period: Ten (10) years					