

INFORMATIVE BULLETIN 98-03

ATTENTION: HOTELIERS

SUBJECT: EXCEPTION OF THE HOTEL ROOM OCCUPANCY TAX -  
FEDERAL GOVERNMENT EMPLOYEES

The tax imposed under Section 2051 of the Puerto Rico Internal Revenue Code, as amended (Code) on the room occupancy at hotels, motels, guesthouses and other types of lodging shall not be applicable when the charge is imposed directly to an agency or instrumentality of the Federal Government. To these effects, it will be appropriate to identify the party responsible for the payment of the tax in the contract that is subscribed with the hotel.

When the charge is imposed on Federal Government employees or public officials, it shall be apply as provided under the Code, even when said employees may be able to receive from their respective federal agencies a reimbursement of the tax paid by them. In these cases, the federal agency or instrumentality that the federal employee represents must file a claim before this Department for the reimbursement or credit of the tax paid.

This Bulletin complements Informative Bulletin 98-02 issued on April 24, 1998.

Effective Date: The provisions of this Informative Bulletin will be effective with respect to taxes imposed on or after June 1, 1998.

Remember, at Hacienda we are at your service.

Cordially,

Xenia Vélez Silva