

PRESS RELEASE

TRANSLATION



Office of the Secretary

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Contact: María E. Quintero

Email: maria.quintero@hacienda.pr.gov
Tel: 787-398-0486 / 724-0290

PUERTO RICO TREASURY REPORTS GENERAL FUND NET REVENUES TOTALED \$1.28 BILLION IN APRIL, \$76.2 MILLION ABOVE ESTIMATES

Sales and Use Tax totaled \$207.9 million, \$87.8 million above April 2015

(San Juan, Puerto Rico) – Treasury Secretary Juan Zaragoza Gómez reported that net revenues recorded by the General Fund in April 2016 totaled \$1.28 billion, \$76.2 million above revised estimates, and \$47.7 million below net revenues in April 2015.

Corporate income taxes were the main revenue driver in April with \$409.2 million in collections, a year-over-year increase of \$32.5 million, or 8.6%, representing 31.9% of total revenues for the month, and exceeding revised estimates by \$69.7 million. A majority of corporate income tax revenues are collected in April, as most corporations' returns, as well as the first estimated tax payments for the tax year, are due in April.

Individual income taxes were another important revenue category with \$302 million in collections, a \$57.4 million year-over-year decrease. One of the reasons for this decrease is that collections in April 2015 included \$29 million in non-recurring revenues from special laws.

April 2016 Sales and Use Tax ("SUT") revenues totaled \$207.9 million, \$87.8 million above April 2015 receipts. The difference is the result of the increase in the state SUT rate to 10.5% from 6% and the 4% tax on designated business-to-business and professional services (known as B2B). B2B collections totaled \$12.6 million in April. SUT revenues were allocated as follows: \$197.7 million to the General Fund; \$9.9 million, or 0.5%, to the Municipal Administration Fund; and \$270,000 to the Film Industry Fund.

Excise tax categories registered both upward and downward year-over-year changes. Foreign excise taxes and motor vehicle excise taxes increased by \$4.8 million and \$4 million, respectively, while alcoholic beverages and cigarette excise taxes decreased by \$1 million and \$8.8 million, respectively.

Finally, in April the category known as “Other” registered a \$130.8 million decrease. This difference is the result of revenues in April 2015 that were non-recurring this year. Act 44-2015 allowed the pre-payment of a special tax on certain transactions. These transactions included a pre-payment, at a reduced rate of 5%, of taxes on corporate dividends for future distributions of accrued benefits and profits. Revenues from pre-paid taxes on dividends, which are classified under the category of Other, were \$111 million in April 2015.

Fiscal year-to-date (July-April) revenues totaled \$7.54 billion, a year-over-year increase of \$213.3 million, or 2.9%, \$45.7 million above revised estimates, and \$238.5 million below estimates included in the original FY 2016 budget. Treasury Secretary Zaragoza Gómez noted that based on revenue behavior up to April, estimates included in the revised \$9.29 billion budget for FY 2016 are expected to be met.

General Fund Net Revenues

April

(million of \$)

Items	2014-15	2015-16	Dif.	Diff.		Diff.	
				Original Estimated	Actual vs Original	Revised Estimated	Actual vs. Revised
Gross General Fund Net Revenues	1,371.4	1,324.7	(46.7)	1,405.7	(81.0)	1,248.5	76.2
Reserve for Refund	(39.0)	(40.0)	(1.0)	(40.0)	0.0	(40.0)	0.0
General Fund Net Revenues	1,332.4	1,284.7	(47.7)	1,365.7	(81.0)	1,208.5	76.2
Individual	359.4	302.0	(57.4)	345.8	(43.8)	308.3	(6.3)
Corporations	376.8	409.2	32.5	409.8	(0.6)	339.5	69.7
Non-Resident Withholdings	51.1	43.6	(7.6)	53.7	(10.1)	53.7	(10.1)
Sales and Use Tax	109.8	197.7	87.9	233.1	(35.4)	194.9	2.8
Property Taxes	0.8	0.6	(0.1)	0.1	0.5	0.4	0.2
Foreign (Act. 154)	201.4	206.2	4.8	197.9	8.3	197.9	8.3
Alcoholic Beverages	21.6	20.6	(1.0)	22.7	(2.1)	23.6	(3.0)
Cigarettes	17.8	9.0	(8.8)	14.8	(5.8)	10.3	(1.3)
Motor Vehicles	23.0	26.9	4.0	25.5	1.4	24.0	2.9
Excises on Off-Shore Shipment Rum	12.2	41.0	28.8	20.0	21.0	12.8	28.2
Others	158.7	27.8	(130.8)	42.3	(14.5)	43.1	(15.3)

General Fund Net Revenues
July - April
(million of \$)

Items	2014-15	2015-16	Dif.	Diff.		Diff.	
				Original Estimated	Actual vs Original	Revised Estimated	Actual vs. Revised
Gross General Fund Net Revenues	7,725.3	7,948.6	223.3	8,187.1	(238.5)	7,902.9	45.7
Reserve for Refund	(390.0)	(400.0)	(10.0)	(400.0)	0.0	(400.0)	0.0
General Fund Net Revenues	7,335.3	7,548.6	213.3	7,787.1	(238.5)	7,502.9	45.7
Individual	1,975.8	1,715.7	(260.1)	1,826.1	(110.4)	1,721.7	(6.0)
Corporations	1,401.4	1,377.2	(24.2)	1,322.6	54.6	1,310.4	66.8
Non-Resident Withholdings	690.4	724.0	33.6	723.6	0.4	743.6	(19.6)
Sales and Use Tax	402.5	1,164.4	761.9	1,278.9	(114.5)	1,136.7	27.7
Property Taxes	12.2	10.0	(2.2)	4.8	5.2	9.1	0.9
Foreign (Act. 154)	1,553.4	1,488.4	(65.0)	1,540.3	(51.9)	1,513.0	(24.6)
Alcoholic Beverages	215.7	210.2	(5.5)	224.2	(14.0)	213.9	(3.7)
Cigarettes	132.8	78.7	(54.1)	110.7	(32.0)	81.8	(3.1)
Motor Vehicles	241.3	222.4	(18.9)	241.4	(19.0)	218.9	3.5
Excises on Off-Shore Shipment Rum	153.4	159.5	6.1	136.9	22.6	132.5	27.0
Others	556.4	398.1	(158.3)	377.6	20.5	421.3	(23.2)
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