

October 5, 2017

## Tax Update

### *CRIM Declares Moratorium on the Payment of Interest, Surcharges and Penalties Related to Real Property Taxes*

In light of the state of emergency declared as a result of the passing of Hurricane Maria, the Municipal Revenue Collection Center (“CRIM” for its Spanish acronym) has issued Administrative Order No. 2017-0002 (“AO 2017-0002”) declaring a moratorium on the payment of interest, surcharges and penalties otherwise applicable in connection with the late payment of real property taxes, until December 31, 2017 (“Moratorium”). Attached is copy of AO 2017-0002 (only available in Spanish).

The Moratorium applies to the payment of real property taxes corresponding to the first semester of fiscal year 2017-18 (i.e., July 2017). If interest had started to accrue prior to the state of emergency declaration, such accrual will be suspended as of September 21, 2017 and until December 31, 2017.

The Moratorium also applies to taxpayers making payments under the amnesty program. As a result, late payments corresponding to the months of September, October and November will not trigger the imposition of a penalty or the cancellation of the taxpayer’s participation in the amnesty program. Taxpayers with payment plans will automatically benefit from the Moratorium until December 31, 2017, and the payments corresponding to the months object of the Moratorium will be added to the end of the payment plan period.

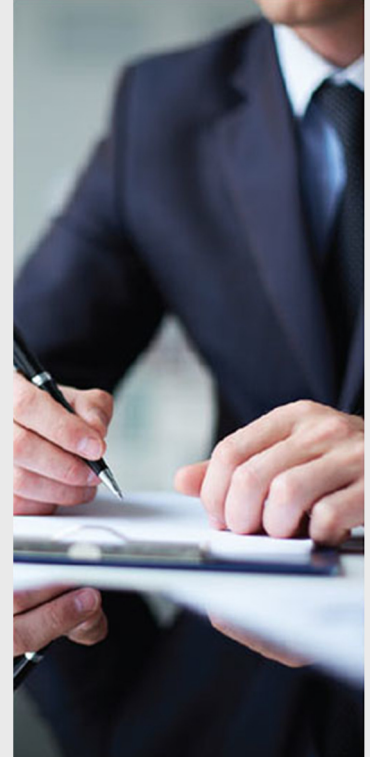
Supplemental real property tax bills issued as of August 1, 2017 will not accrue interest, surcharges and penalties until December 31, 2017, while those issued as of September 1, 2017 and October 1, 2017 will be eligible for the applicable early payment discounts and will not accrue interest, surcharges and penalties until December 31, 2017.

The provisions of AO 2017-0002 are effective immediately.

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For more information on this Legal Update, please contact:

**Carlos E. Serrano**

[cserrano@reichardescalera.com](mailto:cserrano@reichardescalera.com)  
787.777.8815

**Alba I. Joubert Pereira**

[ajoubert@reichardescalera.com](mailto:ajoubert@reichardescalera.com)  
787.777.8825

**Bibiana A. Cruz**

[bcruz@reichardescalera.com](mailto:bcruz@reichardescalera.com)  
787.777.8813