480.36-Q
Rev. Apr 11 11

Government of Puerto Rico
Department of the Treasury

QUARTERLY EXCISE TAX RETURN
PURSUANT TO ACT NO. 154 OF OCTOBER 25, 2010

Filer Name	Filer EIN	Filer Address	Filer Telephone

Controlled Group's Name	Controlled Group's ID	Quarter/Year	
		1 2011	

	January	February	March	Total
Taxable Acquisitions	0	0	0	0
Tax Rate (%)	4	4	4	4
Excise Tax Determined	0	0	0	0
Credits	0	0	0	0
Balance of Tax Due	0	0	0	0
Amount Paid With Monthly Form				0
P/Q Overpayment				
Balance Due (Overpayment)				0
Interest				
Surcharges				
Penalties				
Balance Due				0
Overpayment				0

GROSS RECEIPTS RECONCILIATION

Name of the Producing Member	Employer Identification Number	Address

1. Gross Receipts	
2. Taxable Acquisitions of Personal Property by Acquiring Members	
3. Taxable Acquisitions of Manufacturing Services by Acquiring Members	
4. Total Value of Personal Property to which the Manufacturing Services in Line 3 relate	
5. Excess (subtract line 3 from line 4)	
6. Substract Line 5 from Line 2	
7. Sales of Personal Property Manufactured or Produced in Whole or [illegible] to Non-Members of the Controlled Group	
8. Sales of Personal Property Manufactured or Produced in Who[illegible] Rico to Acquiring Members not meeting any of the 10% tests under Section 2101([illegible]	
9. Sales of Manufacturing Services Performed in Whole o[illegible] in [illegible]art in [illegible]erto [illegible]co to Non-Members of the Controlled Group	
10. Sales of Manufacturing Services Performed in W[illegible] Puerto Rico to Acquiring Members not meeting any of the 10% tests under Section [illegible]	
11. Income from the Sales of Property Not M[illegible] Rico	
12. Income from the Sales of Manufac[illegible] Ser[illegible]ces N[illegible]erformed in Puerto Rico	
13. Interest	
14. Dividends	
15. Rents	
16. Royalties	
17. Gain [illegible] Than From the Sale of Manufactured Property	
18. Other Inc[illegible]me ([illegible]lain)	
19. Unreconciled difference (Explain)	
20. Add line 6 through 19 (must be equal to Line 1)	

INSTRUCTIONS FOR FILING THE QUARTERLY EXCISE TAX RETURN PURSUANT TO ACT 154 OF OCTOBER 25, 2010, AS AMENDED FORM 480.36-Q

WHO SHALL FILE THIS RETURN?

Each controlled group, subject to the tax imposed by Section 2101(a) of the Puerto Rico Internal Revenue Code of 1994, as amended, is required to file this return for each quarter of a calendar year.

A return must be filed for each calendar quarter in which a member of the controlled group makes a taxable acquisition, even if no tax is owing as a result of the application of the credits provided under Act 154 of October 25, 2010, as amended, and Article 2102(a)-2 of Regulation Number 7970 approved on December 29, 2010 (Regulations).

WHEN AND WHERE SHALL THIS RETURN BE FILED?

The quarterly excise tax return must be filed no later than the last day of the month following the end of each calendar quarter.

The return must be completed and submitted electronically by the designated filer identified by the controlled group. The return is available at the "Online Service" link in our webpage, www.hacienda.gobierno.pr. In order to access the online system, the designated filer must be registered at "Payments Online" of the Treasury Department (Treasury). The username and password assigned at "Payments Online" should be used to access the online system.

GENERAL INSTRUCTIONS

The return must be completed in all of its parts. All the statements required, including the Annual Reconciliation of Gross Receipts required to be included only with the return for the fourth quarter, must be attached and completed in accordance with the directions and the online system. **Returns that do not comply with these requirements will not be considered duly filed.**

DETAILED INFORMATION

The online program will automatically import the data reported on the monthly excise tax deposit form (Form 480.36) by all members of the controlled group for a given month. Such data may be edited by the designated filer to reflect any adjustments to the information reported on Form 480.36, if necessary.

The return must include the name and taxpayer identification number of all members of the controlled group, whether or not such members made taxable acquisitions during the quarter. The taxpayer identification number of all members is required to process the return.

Taxable Acquisitions

Taxable acquisitions made by each member of the controlled group shall be separately reported for each month of the quarter, net of any returns permitted under Article 2101(b)-2(a)(6) of the Regulations. The amount reported for each month must include any taxable acquisitions not previously informed, for any reason, on Form 480.36, if any. Also, any part of the tax that has not been paid or deposited with respect to such taxable acquisitions must be paid with this return.

Credits

The Regulations provide certain credits that might be used by the members of the controlled group to reduce the excise tax liability imposed by Section 2101(a) of the Code, but not below zero. Please refer to Article 2102(a)-2 of the Regulations to determine the requirements that must be met in order to qualify for the various credits provided thereunder. The amount of any credit claimed for each calendar month shall be reflected in the quarterly return.

The credits provided by Article 2102(a)-2 of the Regulations shall apply with respect to each controlled group as a whole and shall be allocated among all acquiring members of the controlled group according to their respective taxable acquisition for each month or on a cumulative basis. The elected method should be used consistently for an entire calendar year.

If, for any calendar quarter, the controlled group decides that it: (i) is eligible for a credit different from any credit that it had claimed for one or more prior months; (ii) is ineligible for any particular credit that it had claimed in any prior month; (iii) chooses to claim one or more credits that it has not claimed in prior months; or (iv) chooses not to claim a credit it is entitled to claim, a Credit Reconciliation Statement reflecting the amounts of any credits claimed for any previous periods during the calendar year, the amount of the credits claimed for the quarter for which the return is being filed, the amount and type of any credit that it has chosen not to claim, and the amount of any credits available for future months of the calendar year should be included with the quarterly return.

The credit should be computed on a calendar year basis. No unused credit for a calendar year may be carried forward or carried back, nor shall it be refunded. A controlled group may choose not to claim a credit that it is eligible to claim (*e.g.*, a group is eligible to claim the credit based on gross receipts under Reg. Art. 2102(a)-2(c)(7) of the regulations, but does not claim such credit), but if the controlled group claims any portion of a particular credit, it must claim all of such credit (or such lesser amount as would eliminate all excise tax liability).

If, for any calendar year, the controlled group is not eligible for a credit reasonably claimed for any previous period within such calendar year or is eligible only for a lesser amount of a credit (*e.g.*, the multiple facilities credit under Reg. Art. 2102(a)-2(f)(6) or the credit for incremental increases in employees under Reg. Art. 2102(a)-2(e)(5)), any credit claimed in excess of that permitted shall be treated as a tax arising on account of an acquisition deemed to occur during the month of December of such year.

Notwithstanding the above, no credit will be allowed for a calendar quarter in which the controlled group fails to deposit or pay, with the return due for such calendar quarter, at least 75% of the tax due for such quarter.

The controlled group shall maintain adequate documentation to support the credits claimed. For further information, please refer to Regulation 7970.

ATTACHMENTS

The Regulations require that certain information or projections be included with the quarterly return in order to be eligible for the credits. Please complete the statements included with the return in accordance with the credit claimed, as applicable. For your reference, below please find a table summarizing the statements required for each type of credit. Please note that the statements submitted must reflect the information for the **entire calendar year**:

CREDIT	STATEMENTS REQUIRED	REFERENCE
General Credit	▪ Number of Employees Projections	Reg. Art. 2102(a)-2(b)(6)
Credit Based on Gross Receipts	▪ Number of Employees Projections ▪ Gross Receipts Projections	Reg. Art. 2102(a)-2(c)(7)
Credit Where Taxable Acquisitions Exceed Certain Thresholds	▪ Compensation per Employee Projections ▪ Taxable Acquisitions Projections	Reg. Art. 2102(a)-2(d)(6)
Credit for Incremental Increase in Employees	▪ Number of Employees Projections ▪ Taxable Acquisitions Projections	Reg. Art. 2102(a)-2(e)(5)

CREDIT	STATEMENTS REQUIRED	REFERENCE
Controlled Group with Manufacturing and Production Facilities in Multiple Municipalities in PR	▪ Certification of Required Number of Facilities and Employees	Reg. Art. 2102(a)-2(f)(6)
Economically Disadvantaged or Critical Industry Suppliers	▪ Costs of Purchases of Property and Services from Economically Disadvantaged or Critical Industry Suppliers	Reg. Art. 2102(a)-2(g)(5)
Knowledge Corridor and Research and Development Investment Credit	▪ Documentation of qualifying contributions or investments	Reg. Art. 2102(a)-2(h)(5)

RETURN FOR FOURTH QUARTER

Annual Reconciliation of Gross Receipts with Taxable Acquisitions

The Annual Reconciliation of Gross Receipts with Taxable Acquisitions must be completed only with the Quarterly Return for the Quarters Ending December 31.

The quarterly excise tax return for the quarter ended December 31 must include an annual reconciliation of gross receipts with taxable acquisitions for the calendar year. A return that does not include a properly completed reconciliation is incomplete and will not be regarded as duly filed.

Each controlled group must complete a reconciliation of any differences between the sum of the taxable acquisitions by all Acquiring Members from each Producing Member and each Producing Member's gross receipts. Such differences could result from the Producing Member's receiving income from interest, dividend, royalties or the like, or from the sales by the Producing Member to non-members of the controlled group or members of the controlled group not meeting any of the ten (10) percent tests of Section 2101(c) of the Code. For purposes of this reconciliation, a Producing Member is the member of the controlled group that (i) engages in the manufacture or production of personal property in whole or in part in Puerto Rico or (ii) performs services in Puerto Rico in connection with the manufacture or production of personal property. An Acquiring Member is any member of the controlled group that acquires (i) personal property manufactured or produced in whole or in part in Puerto Rico or (ii) services performed in Puerto Rico in connection with the manufacture or production of personal property from a Producing Member whether or not any ten (10) percent test of Section 2101(c) of the Code is met.

All calculations are to be made on the basis of the calendar year. In the case of entities that do not use the calendar year for Puerto Rico income tax purposes, please reconcile the gross receipts and other figures for the taxable year to the gross receipts and other figures for the calendar year prior to the completion of this table. The controlled group should maintain adequate documentation to support this reconciliation.

Other Schedules

In addition to the above listed schedules, each controlled group should submit the following schedule, as applicable:

1. Election of Common Taxable Year (required by Art. 2101(c)-2(c) of the Regulations).
2. Change in Credit Reconciliation – this statement must be submitted by any controlled group that changes from one credit to another at any time during a quarter.

INTEREST, SURCHARGES AND PENALTIES

Interest

The Code provides for the assessment of interest at a 10% annual rate over any tax not paid by its due date.

Surcharges

In case that imposition of interest is applicable, a surcharge of 5% of the amount due will be assessed, if the delay in payment exceeds 30 days, but is not over 60 days; or 10% of the amount due, if the delay exceeds 60 days.

Penalties

Section 2102(a) of the Code imposes a progressive penalty from 2% to 24% of the insufficiency when the tax is not collected or, if collected not timely deposited. Also, any person required under the Code to file a return, declaration, certification or report, who voluntarily fails to file such return, declaration, certification or report, within the term or terms required by the Code or regulations, in addition to other penalties, shall be guilty of a misdemeanor.

If any person who voluntarily fails to file the above mentioned return, within the terms required by the Code, with the intention to avoid or defeat any tax imposed by the Code, in addition to other penalties, shall be guilty of a third degree felony.

For additional questions related to the filing of the quarterly excise tax return, please contact us through balvarez@hacienda.gobierno.pr.