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For information visit us at: www.alvatax.com or contact one of our Tax Professionals for an appointment:

Ph. (787) 999-4400
E. taxadvisors@alvatax.com

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Changes to the Procedures for the Request of Certain Permits – New System, New Regulations

By: **Yesenia Sánchez Quiles**

During the year 2018, a new digital platform called *Single Business Portal* (“SBP”), was created with the intention to allow users to submit permits, licenses and other transactions from various governmental agencies in one platform. The regulations for this new platform were recently enacted and are effective since June 7, 2019. In this issue we will summarize the most relevant aspects of these regulations and the new permits that are now managed through the new digital platform.

2019 Joint Regulations

Act 161-2009, also known as the “Puerto Rico Permits Process Reforms Act”, established the legal and administrative framework for the application, granting and denial of permits by the Puerto Rico Government. However, this act was not able to unify other governmental entities involved in the approval and issuance of permits, like the autonomous municipalities.

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In 2017, Act 161-2009 was amended by Act 19-2017 to establish a new system to evaluate the requests related to the development, construction and use of properties in Puerto Rico, including licenses, permits, inspections, and other documentation, and integrated a uniform process that applies to the governmental components involved in the permits process.

Recently, the Governor of Puerto Rico approved the Joint Regulations issued by the Puerto Rico Planning Board, which became effective on June 7, 2019. These Joint Regulations consolidate in one place the administrative procedures for the evaluation and issuance of permits including every aspect of the permits requests that are managed by the Permits Management Office (“OGPe” for its Spanish Acronym), by the autonomous municipalities **and** by other concerned government agencies. The Joint Regulations state that it will prevail over any other current regulation related to these permits requests.

The Joint Regulations also provide that all certifications, license or permits that were requested under a different system before the effectiveness of these regulations, will be completed through the previous system. However, every renewal or application made after June 7, 2019, can only be completed through the SBP.

SBP

The SBP is the new platform that will manage most of the permits and licenses issued by the governmental agencies. It has unified and merged previous systems from different agencies and is now the only digital platform that can be used for the request and evaluation of the permits necessary for a new business including: permits, licenses, localization consultations, transactions related to public land, administrative review, adjudicative proceedings and permits audits, and other permit related services.

Even though all applications must be submitted through this portal, once submitted, the review and evaluation of the certificates will be addressed to the applicable governmental agency, through the SBP. On the next page we present a chart that includes various of the permits

and services that are now managed through the SBP.

ATBA Comments

The implementation of the SBP was created to simplify the procedures regarding requests for permits and to reduce the bureaucracy when dealing with different governmental agencies. With this platform, we expect a substantial reduction in the time and cost to obtain a permit mainly because the filing process is now 100% through electronic means. It should also reduce the hassle of using different systems or visiting different agencies with different methods of evaluations that delayed the approval of the permits. If you are planning to open a new office or is time to renew the permits or licenses, but are not familiar with the new platform, our tax consultants can assist you with this process.

ABOUT THE AUTHOR

Yesenia Sánchez-Quiles

Yesenia is a Manager at Alvarado Tax & Business Advisors (ATBA). Prior to that, she was Manager at Zaragoza & Alvarado LLP. Her Curriculum Vitae also includes previous experience in the corporate and individual tax advisory area working as senior tax associate in a local accounting firm providing tax services to different types of industries. She started her career at the Puerto Rico Treasury Department.

At ATBA Yesenia provides corporate tax and government resolution services for clients in the manufacturing, service, wholesale, telecommunication, energy and retailing industries, among others. She also manages a government and corporate tax resolution practice specializing in tax audits from the Puerto Rico Department of Treasury, the United States Internal Revenue Service, and municipalities including, sales and use tax, volume of business, real and personal property resolution services for individuals and businesses. She also works to obtain licenses and permits required to operate regulated lines of business such as distribution or retail of alcohol, imports license, fire arms, public services such as maritime, road or air transportation, security services, certain energy production, distribution, retailing and communication services.

Yesenia has a Bachelor degree in Business Administration, major in Accounting from the University of the Sacred Heart.

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Permits and Services	Permits, Licenses and Procedures Related to:
Construction Permits	Construction/ Reconstruction/ Remodeling/ Demolition/ Urban Development/ Restorations.
Single Permit (“Permiso Único”)	Consolidation of the following certifications: Use Permit/ Categorical Exclusion / Sanitary License / Fire Department License.
Single Operational Incidental Permit (“Permiso Único Incidental Operacional”)	Permit for incidental activities / Authorization of tree pruning.
Licenses	Those related to Alcoholic Beverages and Distilled Spirits/ Cigarettes / Gasoline Wholesale or Retail Dealer / Motor Vehicles Wholesale or Retail Dealer / Motor Vehicles’ Parts and Accessories Wholesale or Retail Dealer.
Other Permits	Use Permit / Permit for Storage of Used Oil / Land Crust Permit / Export Permit for Land Crust Materials / Electric Generators Permits / Maintenance Permits / Installation of Signs and Ads
Incentives Applications	Amendments / Act 14 Incentives for the Retention and Return of Medical Professionals / Act 20 for Export Services (and annual report) / Act 22 for Individual Resident Investors (and annual report) / Act 73 Economic Incentives Act / Act 83 for Green Energy Incentives / Act 273 for International Financial Center Regulatory

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Key Contacts at Alvarado Tax & Business Advisors LLC

Juan A. Alvarado-Zayas, Esq., CPA

Managing Member
 787-620-7730
 jalvarado@alvatax.com

Juan Zaragoza-Gómez, CPA

Member
 787-620-7740
 jzaragoza@alvatax.com

Felipe Mariani-Franco, CPA

Member
 787-620-7736
 fmariani@alvatax.com

Sandra Marie Torres-Martínez, CPA

Member
 787-620-7728
 storres@alvatax.com

Edgardo Sanabria-Valentín, CPA

Member
 787-999-3015
 esanabria@alvatax.com

Carlos R. González-Martínez, CPA

Member
 787-620-7739
 cgonzalez@alvatax.com

César De Jesús-Umpierre, CPA

Member
 787-620-7734
 cdejesus@alvatax.com

Rosirma García-Rivera, CPA

Member
 787-620-7733
 rgarcia@alvatax.com

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**Alvarado Tax & Business
Advisors LLC**

104 Cuarela Marginal Street
Martinez Nadal Expressway
Guaynabo PR 00969

PO Box 195598
San Juan PR 00919-5598

T. 787.999.4400
F. 787.999.4646

E. taxadvisors@alvatax.com
www.alvatax.com
www.taxand.com

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