

Puerto Rico

SUT Standard rate

Sales and use tax: 11.5 percent on most goods and services.

10.5 percent on goods and services not subject to municipal SUT (sales and use tax).

Threshold

For remote sellers who do not have a presence in Puerto Rico, there is an economic nexus, above which you must register and pay sales tax. The economic nexus is \$100,000 in annual sales or 200 separate sales transactions, whichever your business reaches first.

Pieces of evidence

For the purposes of the sale of specific digital products, the source of income from such sales shall be the physical address of the buyer to whom the sale is made. In the event that the seller does not have the physical address of the buyer, the seller must use the buyer's postal address as the source of income for the sale. In the event that the seller does not receive any of his/her physical or postal addresses from the buyer, the seller must use the bank account or credit card information of the buyer or the branch of the financial institution where the bank account is registered (that is, where it was domiciled) with which he/she makes the purchase of the specific digital products. In the event that the bank account cannot be attributed to a specific branch or location, the source of the charges will be the main office of the financial institution.

The source of income from the payment generated in the sales of specific digital products shall be determined in accordance with the provisions of this paragraph, regardless of the physical location of any server from which the specific digital product is reproduced or downloaded or any other factor related to the sale thereof.

E-services list

Digital Products – electronically transferred audio, visual, audio-visual products, or other digital products, provided that a digital code grants a buyer the right to obtain the product will be treated in the same way as a specific digital product.

- Digital audiovisual work means a series of related images that, when displayed in succession, convey an impression of movement, along with the sounds that accompany it, if any.
- Digital audio work means a product that results from the fixation of a series of musical, spoken or other sounds, including a ringtone.
- The English term “Ringtone” means a digitized sound file that is downloaded to a device and can be used to alert the buyer to a communication.
- Digital Codes -is a code that comes packaged with a physical product eligible for movies accessible anywhere, such as a DVD or Blu-ray. Buyer can redeem digital movie codes anywhere for a digital version of the movie, which can add movies to their collection and be accessible anywhere.
- The term “Electronically Transferred” means that it was obtained by the customer by means other than tangible means of storage.
- Other Digital Products may include: greeting cards, images, video or electronic games or entertainment, electronic group memberships to obtain exclusive electronic or audiovisual data, including but not limited to theatrical performance, music,, including concerts or videos, adult audio-visual content material, news or information products, digital storage products, computer software applications, and any other products that may be considered a digital product.

Registration procedure

You can register through the «Suri» – unified internal revenue system. To do this, you must provide personal and contact information, as well as information about the company.

Keeping records

The invoices shall be kept for no less than 6 years.

SUT returns filing and SUT payment date

It is necessary to file a declaration and pay tax no later than the 20th day of the month following the reporting period. The reporting period is a month.

