

# PRESS RELEASE

TRANSLATION



## Office of the Secretary

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### **PUERTO RICO TREASURY REPORTS YTD REVENUES FOR FY2014 UP \$335 MILLION YEAR-OVER-YEAR AND \$79 MILLION ABOVE BUDGET ESTIMATES**

(San Juan, PR) – Treasury Secretary Melba Acosta Febo announced revenues for the first five months of fiscal year 2014 exceeded revenues for the same period of fiscal year 2013 by \$335 million, or 12.4%. Revenues year to date have exceeded estimates by \$79 million.

Acosta Febo reported that General Fund revenues totaled \$473 million in November. This number was below the November 2012 figure by \$21 million and below estimates for the month by \$48 million. “Traditionally, November is one of less significant months in terms of collections during the year,” she said.

Mixed results were observed in the principal revenue categories compared to November 2012, due to a combination of factors that included a shift in the timing of some tax collections. The excise tax for foreign corporations subject to Act 154, which has the largest impact on monthly revenues, decreased by \$25 million compared to November 2012. This is attributable to several corporations’ adjustments in the accounting of credits with respect to the previous quarter, driven by their quarterly tax planning initiatives. This reduced the effective amount of the tax paid this month. In one case, it is anticipated that the adjustment will lead to additional revenues in December.

Withholding from non-resident corporations, which includes the tax imposed on royalties for the use of patents in the manufacturing industry’s production processes, registered a \$12 million increase in November. Corporate income tax collections increased by \$7 million.

Individual income tax revenue declined by \$9 million compared with November 2012 because it did not include the withholding from the Christmas bonus paid to government employees and because of reduced tax rates.

The excise tax revenue on off-shore shipments of rum is down by \$4 million. Acosta Febo noted that due to the federal government shutdown October revenues had been estimated, and this month they were adjusted to include actual revenues.

Finally, sales and use tax (SUT) revenues year-to-date in FY2014 totaled \$500 million for a year-over-year increase of 5.8%. SUT revenues in November totaled \$97.6 million, approximately \$3 million more than in November 2012, or a 3.2% increase. This figure was below monthly projections by \$25.7 million. Acosta Febo stated the Treasury Department continues implementing multiple aggressive initiatives to increase the capture rate of SUT.

General Fund Net Revenues  
November FY 2013-14  
(million of \$)

Items	November		Dif.	Estimate November	Collections vs. Estimate
	2012-13	2013-14			
Gross General Fund Net Revenues	543.0	522.0	(21.0)	569.6	(47.6)
Reserve for Refund	(49.0)	(49.0)	0.0	(49.0)	0.0
General Fund Net Revenues	494.0	473.0	(21.0)	520.6	(47.6)
Individual	140.5	132.0	(8.5)	150.6	(18.6)
Corporations	22.5	29.8	7.3	25.6	4.2
Non-Resident Withholdings	50.5	62.5	12.0	44.9	17.6
Sales and Use Tax	0.0	0.0	0.0	0.0	0.0
Property Taxes	0.9	0.9	0.0	0.0	0.9
Foreign (Act. 154)	160.6	135.3	(25.3)	168.7	(33.4)
Alcoholic Beverages	27.3	26.4	(0.9)	26.6	(0.2)
Cigarettes	10.2	9.4	(0.8)	16.3	(6.9)
Motor Vehicles	33.8	31.2	(2.6)	39.1	(7.9)
Excises on Off-Shore Shipment Rum	18.7	14.4	(4.3)	22.7	(8.3)
Others	29.0	31.1	2.1	26.1	5.0

General Fund Net Revenues  
 July-November FY 2013-14  
 (million of \$)

Items	July-November Collections 2012-13	Collections 2013-14	Dif.	Estimate Jul-Nov	Collections vs. Estimate
Gross General Fund Net Revenues	2,943.7	3,278.3	334.6	3,199.8	78.5
Reserve for Refund	(245.0)	(245.0)	0.0	(245.0)	0.0
General Fund Net Revenues	2,698.7	3,033.3	334.6	2,954.8	78.5
Individual	753.0	706.9	(46.1)	761.2	(54.3)
Corporations	338.6	618.2	279.6	492.5	125.7
Non-Resident Withholdings	220.9	358.8	137.9	350.7	8.1
Sales and Use Tax	0.0	0.0	0.0	0.0	0.0
Property Taxes	5.4	9.3	3.9	0.0	9.3
Foreign (Act. 154)	782.8	724.0	(58.8)	735.3	(11.3)
Alcoholic Beverages	115.1	116.7	1.6	115.9	0.8
Cigarettes	73.6	64.8	(8.8)	71.3	(6.5)
Motor Vehicles	152.2	154.9	2.7	152.8	2.1
Excises on Off-Shore Shipment Rum	111.6	132.6	21.0	131.6	1.0
Others	145.5	147.1	1.6	143.5	3.6

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