

PRESS RELEASE

TRANSLATION



Office of the Secretary

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PUERTO RICO TREASURY REPORTS GENERAL FUND NET REVENUES TOTALED \$929.7 MILLION IN MARCH 2016, \$91.1 MILLION UP FROM MARCH 2015 AND \$5.3 MILLION BELOW REVISED ESTIMATES

Sales and Use Tax totaled \$199.3 million, \$91.4 million above March 2015 collections

(San Juan, Puerto Rico) – Treasury Secretary Juan Zaragoza Gómez reported that net revenues recorded by the General Fund in March 2016 totaled \$929.7 million, an \$91.1 million increase compared to March 2015 net revenues, and \$5.3 million below revised estimates.

March 2016 Sales and Use Tax (“SUT”) revenues totaled \$199.3 million, \$91.4 million above March 2015 receipts. This difference is the result of the increase in the state SUT rate to 10.5% from 6%, as a result of the 4.5% surtax, and the 4% tax on designated business-to-business and professional services (known as B2B). B2B collections were \$11.2 million in March. SUT revenues were allocated as follows: \$189.6 million to the General Fund, \$9.5 million, or 0.5%, to the Municipal Administration Fund, and \$270,000 to the Film Industry Fund.

Zaragoza Gómez indicated that March SUT collections were \$14.3 million above revised estimates. In addition, he pointed out that this is the first time since 2011 that SUT revenues are higher in March than in February. The Treasury Secretary attributed this improvement to the multiple oversight efforts the agency is making, such as placing embargoes on businesses with tax debts. The Treasury Department will continue using all the legal tools available to combat tax evasion. “We are changing tax payer behavior, we are sending out the message that failure to pay has consequences. This Treasury Department will not rest in its efforts to have tax laws enforced and move Puerto Rico forward,” Zaragoza Gómez stated.

Individual income taxes registered a year-over-year increase of \$9.8 million. Revenues from non-resident withholdings, a category mainly associated with royalties from the use of manufacturing patents, were \$82.8 million above March 2015 revenues. Corporate income taxes and foreign excise tax collections decreased by \$32.5 million and \$23.8 million, respectively.

Fiscal year-to-date (July-March) revenues totaled approximately \$6.26 billion, a year-over-year increase of \$260.9 million, or 4.3%. Fiscal year-to-date revenues were \$30.6 million below revised estimates and \$157.5 million below estimates included in the original FY 2016 budget.

General Fund Net Revenues
March
(million of \$)

Items	2014-15	2015-16	Dif.	Diff.		Diff.	
				Original Estimated	Actual vs Original	Revised Estimated	Actual vs. Revised
Gross General Fund Net Revenues	877.6	969.7	92.1	931.1	38.6	975.0	(5.3)
Reserve for Refund	(39.0)	(40.0)	(1.0)	(40.0)	0.0	(40.0)	0.0
General Fund Net Revenues	838.6	929.7	91.1	891.1	38.6	935.0	(5.3)
Individual	188.7	198.5	9.8	202.1	(3.6)	192.9	5.6
Corporations	104.8	72.2	(32.5)	75.0	(2.8)	67.3	4.9
Non-Resident Withholdings	51.6	134.4	82.8	54.2	80.2	146.8	(12.4)
Sales and Use Tax	98.6	189.6	90.9	192.2	(2.6)	175.3	14.3
Property Taxes	0.7	0.5	(0.2)	0.1	0.4	0.4	0.1
Foreign (Act. 154)	200.9	177.1	(23.8)	213.9	(36.8)	203.1	(26.0)
Alcoholic Beverages	20.0	21.7	1.7	21.2	0.5	22.8	(1.1)
Cigarettes	11.9	9.7	(2.2)	8.9	0.8	9.3	0.4
Motor Vehicles	28.6	31.5	2.9	31.7	(0.2)	30.1	1.4
Excises on Off-Shore Shipment Rum	12.5	1.5	(11.0)	0.0	1.5	2.7	(1.2)
Others	120.4	93.0	(27.3)	91.8	1.2	84.3	8.7

General Fund Net Revenues
July - March
(million of \$)

Items	2014-15	2015-16	Dif.	Diff.		Diff.	
				Original Estimated	Actual vs Original	Revised Estimated	Actual vs. Revised
Gross General Fund Net Revenues	6,354.0	6,623.9	269.9	6,781.4	(157.5)	6,654.5	(30.6)
Reserve for Refund	(351.0)	(360.0)	(9.0)	(360.0)	0.0	(360.0)	0.0
General Fund Net Revenues	6,003.0	6,263.9	260.9	6,421.4	(157.5)	6,294.5	(30.6)
Individual	1,616.4	1,413.8	(202.7)	1,480.3	(66.5)	1,413.4	0.4
Corporations	1,024.7	967.9	(56.8)	912.7	55.2	970.9	(3.0)
Non-Resident Withholdings	639.3	680.5	41.2	669.9	10.6	689.9	(9.4)
Sales and Use Tax	292.8	966.7	674.0	1,045.8	(79.1)	941.8	24.9
Property Taxes	11.4	9.3	(2.1)	4.7	4.6	8.7	0.6
Foreign (Act. 154)	1,352.0	1,282.2	(69.9)	1,342.4	(60.2)	1,315.1	(32.9)
Alcoholic Beverages	194.2	189.6	(4.6)	201.3	(11.7)	190.2	(0.6)
Cigarettes	115.0	69.7	(45.3)	95.9	(26.2)	71.5	(1.8)
Motor Vehicles	218.3	195.5	(22.9)	215.8	(20.3)	194.9	0.6
Excises on Off-Shore Shipment Rum	141.2	118.5	(22.7)	117.0	1.5	119.7	(1.2)
Others	397.7	370.2	(27.4)	335.6	34.6	378.4	(8.2)

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