

(S. B. 1620)
(Conference)

(No. 106-2020)

(Approved August 13, 2020)

AN ACT

To amend subsection (a) of Section 2021.03 of Subchapter A of Chapter 2 of Subtitle B of Act No. 60-2019, as amended, better known as the “Puerto Rico Incentives Code,” to extend to December 31, 2020, the period granted to Qualified Physicians to apply for a Decree; provide for the responsibilities of the Department of the Treasury; and for other related purposes.

STATEMENT OF MOTIVES

Act No. 60-2019, as amended, better known as the “Puerto Rico Incentives Code,” was enacted to consolidate dozens of existing tax and economic decrees, incentives, grants, reimbursements, and benefits for the purpose of promoting the economic development of essential economic markets and sectors of Puerto Rico.

Bearing this in mind, this Act introduced comprehensive amendments to Act No. 14-2017, as amended, known as the “Act to Incentivize the Retention and Return of Medical Professionals,” aimed at preventing the mass exodus of essential physicians from Puerto Rico through the granting of economic incentives. These economic incentives were organized under Decrees available to any Qualified Physician who wishes to apply therefor. A few months later, Act No. 47-2020 was approved in order to broaden the definition of Qualified Physician and include general practitioners or any other medical specialty. During the 2019 coronavirus (COVID-19) pandemic, this extension has become increasingly important given that primary care physicians have been receiving generous offers from other jurisdictions. As stated by the President of the Puerto Rico Surgeons Association,

Víctor Ramos: “It certainly helps to retain primary care physicians in Puerto Rico, and to continue rendering services to prevent the collapse thereof for lack of physicians rather than due to the pandemic.”

However, given the lockdown imposed on Puerto Rico as a result of the threat posed by COVID-19, we believe that Act No. 47-2020 failed to provide these healthcare professionals with sufficient time to apply for the pertinent Decrees to receive the economic incentives.

Therefore, this Legislative Assembly deems it necessary to extend the Decree application period to December 31, 2020, in order for such qualified physicians to avail themselves of these economic incentives.

The Department of the Treasury shall certify the specific and necessary measures to defray the fiscal cost in order to render Act No. 47-2020 fiscally neutral.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Subsection (a) of Section 2021.03 of Subchapter A of Chapter 2 of Subtitle B of Act No. 60-2019, as amended, better known as the “Puerto Rico Incentives Code,” is hereby amended to read as follows:

“Section 2021.03.- Qualified Physicians

Every individual admitted to the practice of general medicine or any medical specialty, podiatric medicine; audiology; chiropractic; optometry; or who is a dental surgeon or practices any dental specialty and meets the requirements established in Section 2023.02 of this Code, may apply to the Secretary of the DEDC to be granted the economic incentives provided in Section 2022.04. Every Qualified Physician who is a Puerto Rico resident, as defined in Section 1010.01(a)(30) of the Internal Revenue Code, shall have until December 31, 2020, to apply for a Decree under this Chapter. Moreover, every Qualified Physician who is not a Puerto Rico resident as of the effective date of this Code, as defined in Section 1010.01(a)(30) of the Internal Revenue Code, shall have until December 31, 2020, to apply for a Decree under this

Chapter. No applications shall be received after the aforementioned dates. Applications filed after April 21, 2019, shall be considered under the provisions of this Code.”

Section 2.- The Department of the Treasury shall identify and certify the specific measures necessary to defray the fiscal cost in order to render Act No. 47-2020, as amended, fiscally neutral.

Section 3.- This Act shall be retroactive to June 30, 2020.