

(S. B. 827)

(No. 143-2013)

(Approved December 5, 2013)

AN ACT

To amend subsection (b) of Section 2054.03 of Act No. 1-2011, as amended, known as the “Internal Revenue Code for a New Puerto Rico”, Section 12 of Act No. 172-1996, Section 2 of Act No. 95-2000, Section 5 of Act No. 233-2003, and Section 11 of Act No. 218-2011, in order to broaden the scope of the use of funds received by the Department of the Treasury in accordance with certain laws for purposes that are consistent with the duties and functions of the Department; and for other related purposes.

STATEMENT OF MOTIVES

The responsibility of enforcing the public policy on fiscal and tax administration systems is one of the ministerial duties of the Department of the Treasury. Therefore, it is the agency responsible for collecting the funds needed to carry out public works.

In times of financial constraints, it is imperative to use the resources available in the wisest and most efficient and effective manner possible in order to enable the Department to fully comply with its public policy and the responsibilities entrusted thereto by law. Recognizing the economic and financial realities of the Island and the need to use the resources appropriated to the Department effectively, while exercising its functions, said agency has evaluated certain laws whose provisions make certain funds available thereto. Said resources may be essential for the execution of the duties and functions of the Department, without requiring additional budget appropriations.

Thus, this Legislative Assembly deems it necessary to render some flexibility to the funds available to the Department of the Treasury, so that the latter may use them while carrying out its ministerial duties, pursuant to its objectives.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Subsection (b) of Section 2054.03 of Act No. 1-2011, as amended, is hereby amended to read as follows:

“Section 2054.03.- Charging of Fees

(a) ...

(b) Funds collected on account of payment for issue of releases shall be accounted for separately from any other funds received by the Department. The Secretary shall use such funds to develop systems and procedures and to acquire the necessary equipment to streamline procedures inherent to the Division of Internal Revenues of the Department as well as to improve its systems or physical facilities, modernize service facilities, digitize processes and documents, implement measures to improve operational and oversight efficiency and effectiveness, evaluate reforms and changes in the tax systems and to defray other expenses, as appropriate, to assure compliance by the Department of the Treasury with its ministerial duties.”

Section 2.- Section 12 of Act No. 172 of August 31, 1996, as amended, is hereby amended to read as follows:

“Section 12.- Used Oil Collection and Management Fund

(1) A Used Oil Collection and Management Fund is hereby created which shall be nourished by the oil disposal fee collected for oil manufactured, imported and/or re-refined in Puerto Rico and for all used oil introduced in Puerto Rico for its final disposal that is not recycled through re-refining or retrieval of energy, if it

has not paid the fee as lubricating oil when imported. Said Fund shall be used as described hereinbelow:

(a) ...

...

(d) The Department of the Treasury shall be assigned three point five percent (3.5%) of the money collected to cover its administrative expenses with regard to this Act. These funds may also be used to improve its systems or physical facilities, modernize service facilities, digitize processes and documents, implement measures to improve operational and oversight efficiency and effectiveness, evaluate reforms and changes in the tax systems and to defray other expenses as appropriate to assure compliance by the Department of the Treasury with its ministerial duties.

...”

Section 3.- Section 2 of Act No. 95 of July[sic] 8, 2000, is hereby amended to read as follows:

“Section 2.- Use of Funds

The funds withheld by the Secretary of the Treasury shall be used to grant productivity bonuses to the officials of the Department of the Treasury; to hire services that support and assist in the collection of bad debts, to defray any expense or carry out any investment related to the efforts to collect bad debts as well as improve its systems or physical facilities, modernize service facilities, digitize processes and documents, implement measures to improve operational and oversight efficiency and effectiveness, evaluate reforms and changes in the tax systems and to defray other expenses, as appropriate, to assure compliance by the Department of the Treasury with its ministerial duties.”

Section 4.- Section 5 of Act No. 233 of September 2, 2003, is hereby amended to read as follows:

“Section 5.- Destination of Funds

Beginning on the effective date of this Act, the funds collected on account of the charges imposed by Section 2 shall be deposited in the General Fund of the Commonwealth of Puerto Rico. Starting in Fiscal Year 2004—2005 and for subsequent fiscal years, the Department of the Treasury shall be appropriated twenty percent (20%) of the funds collected on account of the charges imposed by this Act. Said funds shall be held separately from any other funds received by the Department and shall be used to improve the services of the Department of the Treasury and to defray other expenses, as appropriate, to assure compliance by the Department of the Treasury with its ministerial duties.”

Section 5.- Section 11 of Act No. 218-2011, as amended, is hereby amended to read as follows:

“Section 11.- Appropriation

Ten percent (10%) of the funds collected by virtue of this Act are hereby appropriated to the Department of the Treasury to be used, without fiscal year limitation, in strengthening information systems, implementing the Records Review Plan, taxing duties, collecting taxes, as well as prosecuting and controlling tax evasion. This appropriation shall be increased by fifteen percent (15%) for funds collected between March 1, 2012, and June 15, 2012. Said funds may also be used to improve its systems or physical facilities, modernize service facilities, digitize processes and documents, implement measures to improve operational and oversight efficiency and effectiveness, evaluate reforms and changes in the tax systems and to defray other expenses, as appropriate, to assure compliance by the Department of the Treasury with its ministerial duties.”

Section 6.- Severability Clause

If any section or part of this Act were held to be null or unconstitutional, said holding shall not affect, impair or invalidate the remaining provisions of this Act. The effect of said holding shall be limited to Section or part thereof thus held to be null or unconstitutional.

Section 7.- Effectiveness

This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 143-2013 (S. B. 827)** of the **2nd Regular Session** of the **17th Legislative Assembly of Puerto Rico**:

AN ACT to amend subsection (b) of Section 2054.03 of Act No. 1-2011, as amended, known as the "Internal Revenue Code for a New Puerto Rico", Section 12 of Act No. 172-1996, Section 2 of Act No. 95-2000, Section 5 of Act No. 233-2003, and Section 11 of Act No. 218-2011, in order to broaden the scope of the use of funds received by the Department of the Treasury in accordance with certain laws for purposes that are consistent with the duties and functions of the Department; and for other related purposes.

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, on this 16th day of November, 2016.

Juan Luis Martínez Martínez
Director