

(H. B. 2005)

(No. 206-2014)

(Approved December 12, 2014)

AN ACT

To amend subsection (g) of Section 3020.06 of Act No. 1-2011, as amended, known as the “Puerto Rico Internal Revenue Code of 2011,” in order to establish that aviation gasoline or jet fuel importers shall be subject to the payment of excise tax provided therein.

STATEMENT OF MOTIVES

The intent of Act No. 82 of June 26, 1959, as amended, was to suspend the imposition and collection of a tax established by virtue of Act No. 2 approved on January 20, 1956, as amended, known as the “Excise Act of Puerto Rico,” and to empower the Puerto Rico Ports Authority to impose and collect, in lieu thereof, an excise tax on aircraft fuel. Act No. 82 provided that said excise tax would be imposed on and collected from aircraft fuel suppliers that operate in the airports of Puerto Rico so as to facilitate the Authority’s oversight. Currently, said subject matter is regulated under Act No. 1-2011, as amended, known as the “Puerto Rico Internal Revenue Code of 2011.”

Over time, fuel import and distribution in Puerto Rico have been diversified and the entities that used to discharge the duties of importers and suppliers have changed as well. The diversity that currently exists among suppliers has rendered it more difficult for the Ports Authority to control the entry of these products as well as to oversee the collection of the excise tax on aircraft fuel. Imposing the payment of the excise tax on the importer not only will facilitate the work performed by the Ports Authority, but will also increase the revenues on account of this excise tax.

Therefore, this Legislative Assembly deems it appropriate to amend Act No. 1-2011, *supra*, to clarify that importers shall be responsible for the payment of the excise tax to the Authority.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.— Subsection (g) of Section 3020.06 of Act No. 1-2011, as amended, known as the “Puerto Rico Internal Revenue Code 2011,” is hereby amended to read as follows:

“Section 3020.06.— Fuel

(a) ...

(b) ...

(c) ...

(d) ...

(e) ...

(f) ...

(g) Pursuant to Act No. 82 of June 26, 1959, as amended, the imposition and collection of the excise tax on gasoline prescribed in paragraph (1) of subsection (a) of this section shall be suspended with regard to aviation gasoline and other fuel products for use or consumption in the operation of aircraft for air travel between Puerto Rico and other places, or for air travel within the territorial limits of Puerto Rico; provided, that in lieu of the tax imposed in this section, the Ports Authority shall impose on said products a tax of two-cents (2¢) per gallon or fraction thereof and collect it from the importers of fuel for use or consumption in the operation of aircraft.

For purposes of this subsection (g), ‘importer’ means any natural or juridical person engaged in the business of importing the products mentioned in the preceding paragraph; it shall also mean the consumers of said products, if said consumers import such products directly.

Importers shall pay the Ports Authority the excise tax set forth in subsection (g) before taking possession of the products mentioned in the preceding paragraph. The foregoing notwithstanding, in the case of bonded importers, said excise tax shall be paid not later than the tenth (10th) day of the following month in which the importer takes possession of said products. The Ports Authority shall prescribe by regulations the requirements to qualify for the bond benefit.”

Section 2.— Severability Clause

If any clause, paragraph, article, or part of this Act were held to be unconstitutional by a competent Court, said holding shall not affect, impair, or invalidate the remaining provisions thereof. The effect of said holding shall be limited to the clause, paragraph, article, or part thereof thus held to be unconstitutional.

Section 3.— Effectiveness.

This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 206-2014 (H. B. 2005)** of the **4th Regular Session** of the **17th Legislative Assembly of Puerto Rico**:

AN ACT to amend subsection (g) of Section 3020.06 of Act No. 1-2011, as amended, known as the “Puerto Rico Internal Revenue Code of 2011,” in order to establish that aviation gasoline or jet fuel importers shall be subject to the payment of excise tax provided therein.

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

In San Juan, Puerto Rico, on this 14th day of September, 2017.

Orlando Pagán-Ramírez
Acting Director