

THE PUERTO RICO ADVANTAGE

SUN, SAND AND ZERO TO 4% TAX RATES

Moving to Puerto Rico has never been more attractive. The Caribbean island, which is part of the United States, recently enacted two powerful laws to promote economic development and attract new businesses and residents: the Export Services Act and the Individual Investors Act. These new laws, combined with the island's beautiful natural resources, proximity to the United States and Latin America, highly skilled bilingual workforce, low operational costs and world-class infrastructure, have made Puerto Rico an ideal place to do business and live.

EXPORT SERVICES ACT >>

- The Export Services Act (Act 20 of 2012) provides for 4% maximum tax rate on income related to services for exportation provided by new Puerto Rico businesses
- It also sets a 0% tax rate on dividend or profit distributions from such businesses to Puerto Rico residents
- Qualifying companies will get a decree for 20 years, renewable for an additional 10 years, guaranteeing these rates
- Puerto Rico corporations pay no federal taxes on Puerto Rico source income

INDIVIDUAL INVESTORS ACT >>

- The Individual Investors Act (Act 22 of 2012) provides incredible passive income tax benefits for new Puerto Rico Residents
- 0% tax rate on interest and dividend income
- 0% tax rate on short and long-term capital gains
- Rates are guaranteed till 2036 through tax exemption decree
- Puerto Rico Residents pay no U.S. federal taxes on Puerto Rico source income

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- Puerto Rico has long been known as an island paradise full of world-class beaches, natural wonders, golf, arts, shopping, dining and nightlife. And many also know of its reputation as a serious place committed to business, growth, development and low taxes; and the passage of this law highlights this commitment. The time to invest, work, live and play in Puerto Rico is now. Make the comparison to your current situation. Move to Puerto Rico and bring your family and friends with you!

QUICK FACTS:

- 4% maximum tax for new Puerto Rico Export Services Businesses
- 0% federal taxes on Puerto Rico source income
- 0% tax on dividends from new Export Services
- Businesses to Puerto Rico Residents
- 0% tax on passive income (interest, dividends and capital gains) for New Residents