

**Coronavirus Economic Relief for Transportation Services (CERTS)
Supplemental Instructions for Companies in Puerto Rico**

For most questions in the CERTS application, companies formed in Puerto Rico should be able to answer the questions by following the existing instructions in the application. However, there are four (4) questions in the application that require alternative instructions because companies in Puerto Rico do not file annual U.S. Internal Revenue Service tax returns.

For the four application questions identified below, companies in Puerto Rico should use these alternative instructions instead of the instructions in the CERTS application form.

(1) Tax Return Type. In Tab 4 “Company Information” of the application, the question on “Tax Return Type” requires the applicant to identify their annual U.S. Internal Revenue Service corporate income tax return by selecting one of the following options:

- C-Corp – IRS Form 1120
- S-Corp – IRS Form 1120-S
- Partnership – IRS Form 1065
- Sole Proprietorship – Schedule C (IRS Form 1040)

Companies in Puerto Rico must answer this question by selecting the IRS form that best matches the Hacienda tax form they use. Use the following table to make the appropriate selection for this question.

IF YOUR HACIENDA FORM IS:	THEN SELECT THIS OPTION:
Corporation Income Tax Return Form 480.2 / 480.20	C-Corp – IRS Form 1120
Income Tax Return for Exempt Businesses under the Puerto Rico Incentives Program Forms 480.3(II)DT / 480.30(II)DT, 480.3(II)LE / 480.30(II)LE or 480.3(II) / 480.30(II)	C-Corp – IRS Form 1120
Informative Income Tax Return Pass-Through Entity Form 480.2(EC) / 480.20(EC)	Partnership – IRS Form 1065
Schedule M Individual – Income from Services Rendered (Individual Income Tax Return Form 482 or 482.0)	Sole Proprietorship – Schedule C (IRS Form 1040)

(2) Lost Revenues Percentage. In Tab 6 “Eligibility Information” of the application, the question on “Lost Revenues Percentage” requires the applicant to enter their 2019 and 2020 revenues as reported on their annual U.S. tax returns. To answer this question, companies in Puerto Rico should enter the following amounts for the annual revenues based on their annual Hacienda income tax return:

IF YOUR HACIENDA FORM IS:	THEN ENTER THE REVENUE AMOUNTS FROM THESE FIELDS:
Corporation Income Tax Return Form 480.2 / 480.20	Page 2, Part I, Section C, Line 7 “Gross income on sales of services”
Income Tax Return for Exempt Businesses under the Puerto Rico Incentives Program Forms 480.3(II)DT / 480.30(II)DT, 480.3(II)LE / 480.30(II)LE or 480.3(II) / 480.30(II)	Service gross income from appropriate schedule: <ul style="list-style-type: none"> • Schedule L Incentives, Page 1, Part III, Line 14 “<i>Other Income</i>” (service gross income); or • Schedule P Incentives, Page 1, Part III, Line 19 “<i>Miscellaneous income</i>” (service gross income); or • Schedule P Incentives, Page 1, Part III, Section C, Line 7 “Gross income on sale of services”; or • Schedule 3 Incentives, Page 1, Part I, Section B, Line 8 “Other Income” (service gross income); or • Schedule 10 Incentives, Page 1, Part I, Section C, Line 7 “Gross income from services rendered”
Informative Income Tax Return Pass-Through Entity Form 480.2(EC) /480.20(EC)	Page 3, Part VIII, Section C, Line 7 “Gross income on sale of services” (or the equivalent line for service gross income from the incentives schedules of this form)
Schedule M Individual – Income from Services Rendered (Individual Income Tax Return Form 482 or 482.0)	Page 1, Part II, the <u>sum</u> of Line 1 “Income” <u>and</u> Line 6 “Income earned through corporation of individuals, partnerships and special partnerships (Pass-through Entities)”

(3) Principal Business Activity Code. In Tab 6 “Eligibility Information” of the application, the question on “Principal Business Activity Code” requires the applicant to enter the 6-digit Principal Business Activity Code from their 2019 annual U.S. tax return. To answer this question, companies in Puerto Rico should enter the 6-digit NAICS Code or Código NAICS from page 1 of their Hacienda income tax return. If the Company did not enter a NAICS code on their Hacienda return, then as an alternative they can enter the 4-digit Industrial Code from page 1 on their Hacienda return.

After entering the code, the application form may display a message asking the user to “make sure the Principal Business Activity Code you entered matches the code as it was entered on your 2019 tax return, and then proceed with completing the application.” Puerto Rico companies should make sure the code they entered matches the NAICS Code (or the Industrial Code) from their Hacienda tax return, and then proceed with completing the application.

(4) 2019 and 2020 Federal Income Tax Returns. In tab 9 “Upload Tax Documents” of the application, applicants are instructed to upload copies of their 2019 and 2020 Federal income tax returns. Companies in Puerto Rico should upload copies of their 2019 and 2020 Hacienda tax returns, as appropriate:

- Corporation Income Tax Return Form 480.2 / 480.20; or
- Income Tax Return for Exempt Businesses under the Puerto Rico Incentives Program Forms 480.3(II)DT / 480.30(II)DT, 480.3(II)LE / 480.30(II)LE or 480.3(II) / 480.30(II)
- Informative Income Tax Return Pass-Through Entity Form 480.2(EC) /480.20(EC); or
- Schedule M Individual – Income from Services Rendered (Individual Income Tax Return Form 482 or 482.0)