

PRESS RELEASE

TRANSLATION



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TREASURY SECRETARY REPORTS PRELIMINARY REVENUES FOR THE 1ST SEMESTER (JULY – DECEMBER) ARE UP BY \$45 MILLION YEAR-OVER-YEAR AND EXCEED ESTIMATES BY \$46 MILLION

(San Juan, Puerto Rico) – Treasury Secretary Juan Zaragoza Gómez reported that preliminary net revenues to the General Fund for the first semester of FY 2017 (July – December) were up by \$45 million year-over-year, and exceeded estimates by approximately \$46 million. Revenues may increase after the final numbers are reconciled.

The Official attributed the performance of revenues to the positive behavior of several income categories, such as, the Act 154 foreign corporation excise tax and personal consumption taxes, such as, the Sales and Use Tax (SUT) and the motor vehicle excise taxes. During this semester, these categories have increased compared both to the same period last year and the estimates.

Preliminary revenues for the month of December were below estimates by \$58 million, mainly due to the non-resident withholding category, which decreased by \$44 million. Nevertheless, total revenues from July to November surpassed estimates by approximately \$104 million. Consequently, fiscal year-to-date revenues exceeded estimates by \$46 million, according to the Official.

Zaragoza Gómez pointed out as a positive the fact that the performance of revenues in the first half of this government transition year exceeded estimates. He stated that fiscal year-to-date revenues in December 2012, the previous government transition year, were below estimates by \$258 million. This year, however, the current revenue behavior is very different, and the first six months of the fiscal year are expected to end with a positive balance.

“While the final December numbers have yet to be reconciled, which usually happens by the middle of the following month, I wanted to advance these preliminary numbers to meet my responsibility of reporting the state of affairs to the end, as has been the practice during my tenure. I am deeply satisfied to see the fruits of our different undertakings in the Department, which undoubtedly have influenced these results,” the Official pointed out.

Zaragoza Gómez also informed that some reports on the capture of crude oil, cigarette and alcoholic excise taxes were recently completed, and that he left them for evaluation by the incoming administration. These tools are in addition to the one to measure SUT capture, which we introduced last April.”

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