

LA FORTALEZA
SAN JUAN, PUERTO RICO

Administrative Bulletin No. 1634

EXECUTIVE ORDER OF THE GOVERNOR OF
THE COMMONWEALTH OF PUERTO RICO

WHEREAS: Under the withholding system in force the employer may determine the tax to be deducted and withheld upon the wages paid to his employees by using two alternative methods known as the "Percentage Method" and the "Wage Bracket Method".

WHEREAS: The Percentage Method has been adopted pursuant to the provisions of Act No. 1 of February 12, 1971, which amended the Income Tax Act of 1954 in order to correct certain inequities introduced into the "income-tax withholding system" by Act No. 58 of May 30, 1970.

WHEREAS: In order that the employers may make use of the alternatives provided in the Act, it is imperative that the Wage Bracket Method be available immediately for the benefit of both employers and employees.

WHEREAS: Section 429 of the Income Tax Act of 1954, as amended, authorizes the Secretary of the Treasury to prescribe all needful rules and regulations for the execution of the aforementioned Act.

WHEREAS: Act No. 112 of June 30, 1957, known as the "Rules and Regulations Act of 1958", provides that regulations and amendments thereto, shall become effective thirty days after a specified number of copies of the Spanish and English version of those regulations or amendments have been filed in the office of the Secretary of State of the Commonwealth of Puerto Rico, unless the Governor of the Commonwealth of Puerto Rico, prior a determination to the effect that the public interest so requires, resolves that the regulations or amendments thereto shall become effective immediately.

NOW, THEREFORE, I, LUIS A. FERRE, Governor of the Commonwealth of Puerto Rico, do hereby CERTIFY that, under the above mentioned circumstances, the public interest demands that the regulations titled

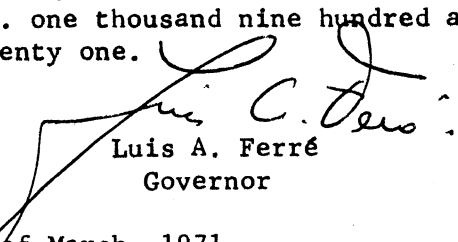
TO AMEND ARTICLE 141(d)-2 OF THE REGULATIONS UNDER
THE INCOME TAX ACT OF 1954, AS AMENDED,

become effective this 17th day of March, 1971.

IN WITNESS WHEREOF,

I have hereunto set my hand and caused to be affixed the Great Seal of the Commonwealth of Puerto Rico, at the City of San Juan, on this 17th day of March, 1971.

A.D. one thousand nine hundred and seventy one.


Luis A. Ferré
Governor

Promulgated according to Law, this 17th day of March, 1971.


SECRETARY OF STATE