

Publications

Puerto Rico Treasury Department Issues Guidance on Retirement Plan Limits for 2017 and Reminder on Taxation, Withholding and Reporting Requirements Applicable to Distributions from Puerto Rico Tax Qualified

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On December 8, 2016, the Puerto Rico Secretary of the Treasury (the “Secretary”) issued Circular Letter of Tax Policy 16-07 (CLTP 16-07), formally announcing the key pension limits for 2017, as required by the Puerto Rico Internal Revenue Code of 2011.

For plans qualified only in Puerto Rico (PR-Only Plans), and for plans qualified both in Puerto Rico and the U.S., including the U.S. Federal Government Thrift Plan (Dual-Qualified Plans), the limits on elective deferrals, catch-up and after-tax contributions, and the highly-compensated employee threshold all remain unchanged for 2017, while the limits on annual benefits, annual contributions, and plan compensation all increased for 2017. The chart in the attached memo reflects the key limits. CLTP 16-07 in Spanish is available [here](#). Please see the attached memo for further information.