

COMMONWEALTH OF PUERTO RICO

## OFFICE OF THE COMMISSIONER OF INSURANCE

IN REPLY PLEASE  
REFER TO:

January 15, 1988

Circular Letter No. E-8-1092-87  
(English translation)

TO ALL HEALTH MAINTENANCE ORGANIZATIONS AND ALL BROKERS,  
CONSULTANTS, ADJUSTERS AND AUTHORIZED SOLICITORS IN PUERTO RICO

Subject: Amendment to Section  
7.060 of the Insurance  
Code of Puerto Rico

Dear Sirs:

We hereby inform you that Act Number 13, approved on April 15, 1987, amended section 7.060 of the Insurance Code of Puerto Rico to include, within the scope of this section, health maintenance organizations, brokers, consultants, adjusters, and solicitors.

Said Section 7.060, as amended, establishes the following:

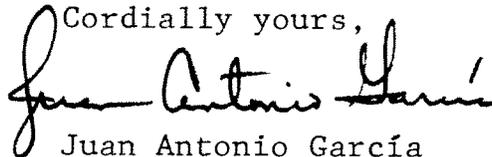
"The Commonwealth of Puerto Rico hereby preempts the field of imposing excise, privilege, franchise, income, license, and similar taxes upon insurers, health maintenance organizations, general agents, agents, brokers, consultants, adjusters and solicitors and on the intangible property of such insurers, health maintenance organizations, general agents, agents, brokers, consultants, adjusters and solicitors; and no municipality, district, political subdivision, agency, or organization in Puerto Rico shall levy upon insurers, health maintenance organizations, general agents, agents, brokers, consultants, adjusters and solicitors as such, any such tax or duty additional to such as are levied by the Legislature of Puerto Rico."

From the above it can be concluded that from the date of approval of said amendment, no municipality, district nor any other political subdivision, agency or organization in Puerto Rico shall levy upon the entities specified in this section any

excise taxes, taxes or patents in addition to the ones levied by the Legislature of Puerto Rico.

If you have any doubts regarding the above, please let us know.

Cordially yours,

A handwritten signature in cursive script that reads "Juan Antonio García". The signature is written in black ink and is positioned above the typed name and title.

Juan Antonio García  
Commissioner of Insurance