

Invoice Requirements

Puerto Rico

Any invoices submitted for the Chick-fil-A (PR) LLC entity must include the following:

Must be billed to:

Chick-fil-A (PR) LLC
Attn: Staff Contact
c/o 5200 Buffington Road
Atlanta, GA 30349

Puerto Rico address:

Chick-fil-A (PR) LLC
361 San Francisco St.
PH SAN JUAN, PR 00901

Non-invoice correspondence:

Chick-fil-A (PR) LLC
5200 Buffington Road
Atlanta, GA 30349

Invoices are required to have the following information:

- Chick-fil-A Staff Contact Name
- Supplier Name & Address
- Supplier telephone number, email, and name of supplier contact
- Supplier Puerto Rico Merchant Registration Number & Taxpayer Number
- Unique invoice number
- Invoice date
- Detailed description of goods received, or services performed. Services must be separately stated from goods.
 - For invoices containing charges for services rendered, the respective physical location(s) of all services rendered must be listed, segregated out by amount based on physical location where services are rendered
- Invoice amount & currency type to be remitted
 - Separately stated amounts for:
 - Taxable tangible personal property
 - Non-taxable tangible personal property
 - Taxable services
 - Non-taxable services
 - Designated professional services (subject to lower tax rate)
 - Freight or Shipping and handling
 - Discounts, allowances, credit memos, and overpayments
 - Interest, finance charges, penalties, and other fees
 - Any other (non-SUT) tax or fee charged
 - Sales tax rate, if applicable
 - Sales tax amount, if applicable
 - If a good or service is not subject to tax, the invoice should clearly state why sales tax is not applicable to the good or service or state what exemption applies



Invoice Requirements

Puerto Rico

Invoice Requirements (continued)

- Payment terms that match the contract
- Payment Remit-to address
- Delivery address for the goods or services
- ★ Valid invoice coding or purchase order number

★ Check with your Staff
Contact for this information

Note: Chick-fil-A (PR) LLC is a Puerto Rico resident entity and is subject to applicable Puerto Rico sales tax. Chick-fil-A (PR) LLC's taxpayer number is 66-0955830. Merchant Registration Number is in process of filing.



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Tax Compliance

Puerto Rico Sales and Use Tax

Sales and Use Tax is a tax that applies to the retail sale, use, consumption, or storage of a Taxable Item in Puerto Rico and is charged on the sales price of Taxable Items and bundled transactions. Taxable Items include tangible personal property, taxable services, admission fees, and bundled transactions. Designated professional services and services rendered to other merchants are subject to sales tax at a lower rate. Chick-fil-A (PR) LLC is a Puerto Rico resident entity and is subject to applicable Puerto Rico sales tax. Certain types of products and services are not subject to Puerto Rico sales tax and Puerto Rico provides various exemptions or exclusions from tax. To claim these exemptions proper invoicing is required, and proper completion of exemption certificates is required. Please refer to the invoice requirements above and Puerto Rico taxability and exemption requirements to ensure these requirements are met.



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Tax Compliance

Puerto Rico Withholding Tax: Important Contract and Invoicing Requirement Related to Suppliers Performing Services in Puerto Rico

Chick-fil-A (PR) LLC will make the corresponding Puerto Rico income tax withholding on payments related to services performed in Puerto Rico at the rate of 10% for resident corporations or partnerships or 29% for foreign non-resident corporations or partnerships, unless the service is otherwise exempt from withholding, a different withholding rate applies, or a partial or full withholding waiver is provided, as evidenced by the supplier. For services exempt from withholding, a sworn statement must be provided to verify exemption from withholding tax. An example is linked in the resources section of this page.

The 10% withholding tax will not apply to the first Five Hundred Dollars (\$500.00) of the amount payable to a supplier within each calendar year, and if an invoice includes items other than services (e.g. materials, equipment, etc.), the services portion should be segregated on the invoice to identify the proper amount subject to withholding. This prevents suppliers from having unnecessary funds withheld from payment.

In case of payments related to services performed in Puerto Rico by non-resident corporations or partnerships, an income withholding tax of up to 29% applies. Where applicable, this means that suppliers will be paid net of the withholding tax (i.e. if a 29% withholding tax applies, supplier will receive 71% of the payment, and Chick-fil-A (PR) LLC will remit the remaining 29% directly to the Puerto Rico Department of Treasury [PRTD]). Non-resident corporations or partnerships should segregate in their invoices services performed within and without Puerto Rico to ensure proper application of withholding.

As a reminder, applicable withholding taxes are not the tax liability of Chick-fil-A (PR) LLC, but of the supplier. Chick-fil-A (PR) LLC is merely the agent, paying on the supplier's behalf. Withholding tax rules in Puerto Rico are complex and the decision to apply the correct rate cannot be determined simply based on whether a supplier is Puerto Rican or non-Puerto Rican. Measures should be taken to ensure invoices are addressed locally (i.e. Puerto Rico to Puerto Rico) where applicable. If the non-Puerto Rican supplier has a Puerto Rican affiliate that is performing services in Puerto Rico, it is advised that the engagement and invoicing relationship with Chick-fil-A (PR) LLC include the supplier's Puerto Rican affiliate.

As a best practice, it is advised to confirm the applicability of the withholding tax with the supplier prior to an invoice being issued. If a supplier disagrees with the withholding tax rate, the supplier must prove why a different rate should apply (i.e. provide a waiver or relevant documentation supporting their applicable withholding rate). Waiver certificates are valid until the date noted on the certificate (typically 1 year), and withholding rate will revert to the non-waiver rate at certificate expiration until another certificate is supplied.

