

Now Puerto Rico Offers 100% Tax Exemption to New Industry

by BEARDSLEY RUMML

"We don't want runaway industries" says Governor Muñoz. "But we do seek new and expanding industries." Federal taxes do not apply in Puerto Rico, and the Commonwealth also offers full exemption from local taxes. That is why 300 new plants have been located in Puerto Rico, protected by all the guarantees of the U. S. Constitution.



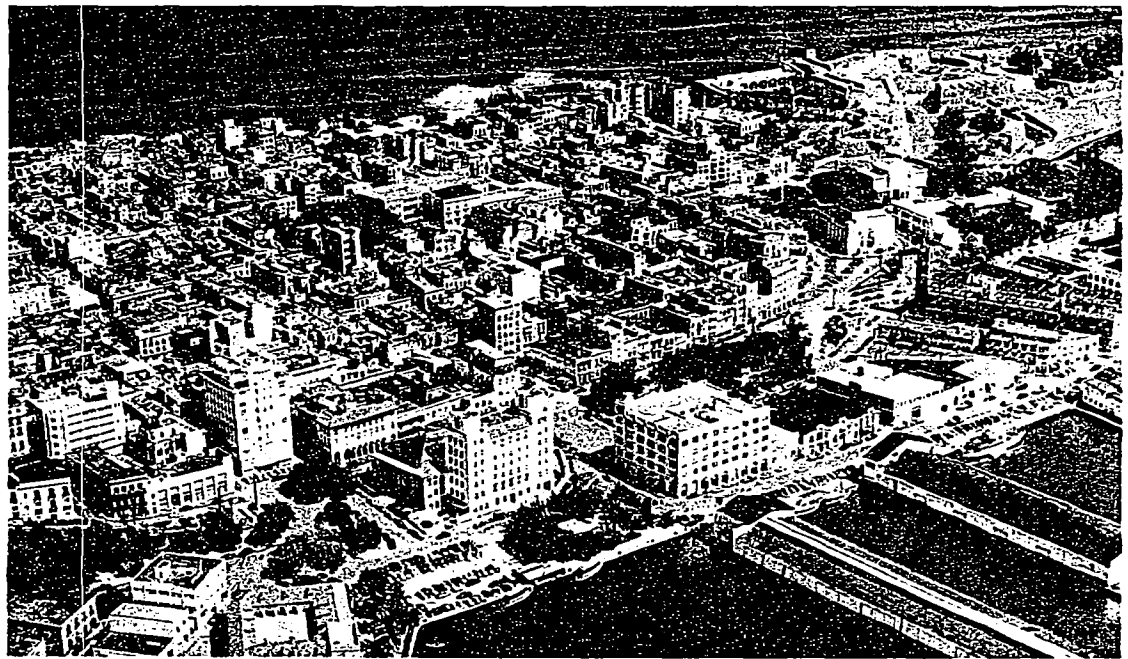
BEARDSLEY RUMML have already been established in this sun-drenched island 961 miles off the Florida Coast.

In a dramatic bid to raise the standard of living in Puerto Rico, the Commonwealth Government is now offering U. S. manufacturers such overwhelming incentives that more than three hundred new factories

First and most compelling incentive is a completely tax-free period of ten years for most manufacturers who set up new plants in Puerto Rico.

For example, recent analysis for one Ohio firm revealed that due to tax exemption and operating economies it will increase its net profit from \$187,000 to \$442,000 a year by locating its new plant in Puerto Rico.

The Commonwealth will leave no stone unturned to help you get started. It will build a factory for you. It



Aerial view of the modern city of San Juan, population 389,316, the capital and financial center of Puerto Rico. The city's magnificent harbor alone handled more than three million tons of freight last year.

How Corporate Tax Exemption Boosts Profits

If your net profit after U.S. Corporate Income Tax is:	Your net profit in Puerto Rico would be:
\$ 17,500	\$ 25,000
29,500	50,000
53,500	100,000
245,500	500,000
485,500	1,000,000

How Dividend Tax Exemption Boosts Income*

If your income after U.S. Individual Income Tax is:	Your net income in Puerto Rico would be:
\$ 3,900	\$ 5,000
7,360	10,000
10,270	15,000
14,850	25,000
23,180	50,000
32,680	100,000
43,180	200,000
70,180	500,000

*Dividends are tax-free only if paid to residents of Puerto Rico by a tax-exempt corporation. Examples are based on Federal rates (Jan. 1, 1954) for single persons.

will help you secure financing. It will even screen job applicants for you—and then train them to operate your machines.

What About Labor?

Puerto Rico's labor reservoir of 650,000 men and women has developed remarkable levels of productivity and efficiency. Twenty-eight factories are now producing delicate electronic equipment.

Among the U. S. companies already manufacturing in Puerto Rico are Sylvania Electric, Carborundum Company, Remington Rand, Univis Lens, Shoe Corporation of America and Weston Electric.

Six steamship companies and four airlines operate regular services between Puerto Rico and the mainland. San Juan is just 5½ hours by air from New York. There is no duty on trade with the mainland.

"Close to Paradise"

Listen to what L. H. Christensen, Vice President of St. Regis Paper, says:

"The climate is probably as close to paradise as man will ever see. I find Puerto Ricans in general extremely friendly, courteous and cooperative."

"This plant in Puerto Rico is one of our most efficient operations, in both quality and output. Our labor has responded well to all situations."

Are You Eligible?

Says Governor Muñoz: "Our drive is for new capital. Our slogan is not 'move something old to Puerto Rico,' but 'start something new in Puerto Rico' or 'expand in Puerto Rico'."

The Commonwealth wants to attract all suitable industries to Puerto Rico—especially electronics, men's and women's apparel, knitwear, shoes and leather, plastics, optical products, costume jewelry, small electrical appliances, hard candy and pharmaceuticals.

To get all the facts, and to find out whether you and your company would be eligible for complete tax exemption, mail the coupon below for your free copy of "Facts for Businessmen."

MAIL THIS COUPON

Economic Development Administration
Commonwealth of Puerto Rico, Dept. T-7
579 Fifth Avenue, New York 17, N. Y.

Mail me "Facts for Businessmen," your report of the advantages of Puerto Rico for plant location.

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