The Prince of Puerto Rico



Entrepreneur and native Angeleno Graham Michael Byers creates a 'how-to' manual on making the U.S. island commonwealth your home.

If a 4% corporate tax rate, no capital gains, dividends, interest and royalties sound good to you, how about throwing in living beachside and being able to communicate in English while using United States currency?

Many U.S. mainlanders are discovering the benefits of moving to Puerto Rico, particularly in light of Act 60, a tax-incentive code that incorporates two previous acts from 2012 into a single law. It became effective in January 2020.

The legislation provides tax exemptions to businesses and investors that relocate to Puerto Rico. In 2018, 610 companies and 700 individuals moved to Puerto Rico.

This opportunity has tremendous appeal to U.S. citizens, as they can relocate in the same way they might, state to state. A residency permit isn't required but if you want full tax benefits, the IRS will require you become a bona fide resident, which takes time. But right off the bat, you can move without a residency permit, and your Puerto Rico income is exempt from U.S. federal income taxes and you can still keep benefits such as Medicare.

One of the enterprising business individuals who took the leap is Graham Michael Byers, who from a young age recognized the potential for making money online as a teenager. Three years ago, Byers, a Los Angeles native who was living in Las Vegas at the time, moved to Puerto Rico – "the best move of my life," he says.

He was so elated with his move that he created a blog called the Prince of Puerto Rico and is currently writing book that will be essentially a "how to" manual for those who are considering the move.

"From there, my aspiration is to take the book and create a reality TV show and from there, a Netflix-style documentary and then I'm open to wherever else it might go."

It has become Byers' passion to share his experience and what he's learned since moving to Puerto Rico. He breaks down and demystifies the process of relocating and creating a life on the island. He connects with other entrepreneurs and creatives or anyone who is interested in the adventure of relocating to an island paradise that has much more lenient tax laws, where money goes much further than in most areas in the U.S., particularly on the

coast.

"This is my third year, and the island has been so good to me and I know many people can benefit from the lessons I've learned," he says. "And not just to make sure people are aware of the specifics of Act 60 and other programs but the mechanics of living here. These include the benefits and the details people need to be prepared for, such as infrastructure in parts of the island that are not the larger cities."

He arrived two years after Hurricane Maria caused lasting devastation in 2017 but it didn't deter him. "I live in San Juan, the capital, which is a port town on the coast," he says. "And I've had very few issues adjusting. It was largely recovered by the time I moved here. One of my main concerns was not being able to speak Spanish but I've been able to get along fine. Otherwise, I work remote, online, like so many are doing now."

Spanish and English are the official languages of Puerto Rico and all government procedures are conducted in English.

"There are areas that don't have the same infrastructure as the major cities," says Byers, a principal in the DB Media Group. "In the same way you don't go to certain areas of any large towns, you need to be cautious and aware but there are many beautiful places to go. San Gerardo, for instance, is another area that has a lot of Act 60 people. Use common sense and know there are limits – like any traveler would know."

His blog covers practical matters and commonly asked questions in a positive, easy-to-read tone that breaks down all the questions one might have. Some of the practical advice he provides on his advice includes:

- Getting your finances in order;
- Doing your homework regarding establishing residency;
- Find out how many days you must stay in Puerto Rico over a one-year and then three-year period to not undermine establishing residency;
- Setting up utilities and cellphone service;
- Creating a routine to get your life settled more quickly;
- Exploration of the perks the island has to offer;
- Meeting people and creating a social circle.





"You do need to take the plunge initially," he says. "You can visit the mainland, but Puerto Rico must be your 'tax home,' or your primary place of residence and primary place of employment," he says. "To benefit from the full tax advantages of Act 60, you need to own property within two years and it needs to by your primary residence – not a rental."

Byers goes on to caution that though you qualify for the tax benefits via Act 60 immediately, you must stay three years minimum, or the IRS will have something to say about it. If you are relocating a business, there are many more legalities to understand but the information is out there and "island ambassadors," like Byers is eager to share.

"What I really want people to see is that, sure, when you're considering it, it seems like a risk, but when I look back now, it really wasn't risky at all," he says. "It was a very beneficial move for me and life isn't all that different than it was in California."

Though the cost of living is much lower, in general, cost of goods can be higher. Like with any island, groceries or other products coming from the mainland must come by plane or ship, which creates an added cost. Yet, as Byers says, "It's worth it." — By Susan Belknapp, California Business Journal.

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