



COMMONWEALTH OF  
PUERTO RICO

Government Development Bank  
for Puerto Rico

# PRESS RELEASE

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## GDB PRESIDENT COMMENTS ON TREASURY SECRETARY'S CALL

**San Juan** – Today, the President of the Government Development Bank for Puerto Rico (GDB), Melba Acosta Febo, stated that U.S. Treasury Secretary Jack Lew's call to Governor Alejandro García Padilla yesterday was part of the conversations and meetings that have been taking place for months with Treasury officials.

The GDB President specified that Lew's communication is in agreement with what the Executive has been emphasizing since the bill was first introduced, which is that any changes or amendments to the Tax System Overhaul bill require that revenues after the change or amendment be equal to revenues under the original bill so that they meet the obligations required in the FY 2016 budget. More importantly, "they require a real transformation of the tax system while preserving the essence of the original bill that seeks to tax consumption, not work, and generate a real tax relief to thousands of Puerto Rican families." Acosta Febo emphasized that said transformation, which is an essential part of the FY 2016 budget, will go hand in hand with other aggressive expense reduction measures.

"The Governor has held multiple meetings and conversations with Secretary Lew and other Treasury officials—and I've participated in some of those—during recent months mainly to explain to them the steps we are taking in several fiscal fronts, such as the tax reform, the FY 2016 budget, and the five-year fiscal stability plan in which several economists have also been working for some months," the GDB Official explained.

Acosta Febo added that the Governor's call with Lew had been coordinated for some days and was part of the conversations that had been taking place. She took the opportunity to clarify that the Treasury Secretary called the Senate President and the House Speaker on the Governor's request because he understood that it was important to speak to them directly.

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