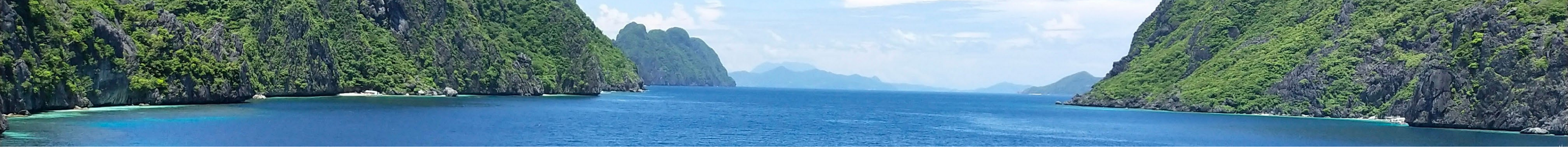

UPDATES ON THE WITHHOLDING TAX OBLIGATIONS OF NGAS, AND LOCAL GOVERNMENT UNITS

PRESENTED BY:

ATTY. JOSEPHINE G. GOMEZ, DCL



COVERAGE OF THE DISCUSSION



**OBLIGATIONS OF
WITHHOLDING
AGENTS**



**UPDATES UNDER
THE EASE OF
PAYING TAXES**



**CONSTRUCTIVE
STAMPING OF
DST AND OTHER
UPDATES**



WITH THE WITHHOLDING TAX SYSTEM, THE GOVERNMENT SHIFTS THE RESPONSIBILITY OF TAX COLLECTION FROM THE BUREAU OF INTERNAL REVENUE (BIR) TO THE INDIVIDUAL OR BUSINESSES, THE WITHHOLDING AGENTS . A WITHHOLDING AGENT IS A PERSON OR ENTITY WHO IS IN CONTROL OF THE PAYMENT THAT IS SUBJECT TO WITHHOLDING TAX (THE TAX AMOUNT DEDUCTED FROM THE PAYMENT MADE AND REMITTED BY THE WITHHOLDING AGENT DIRECTLY TO THE GOVERNMENT) .

WHO IS A WITHHOLDING AGENT

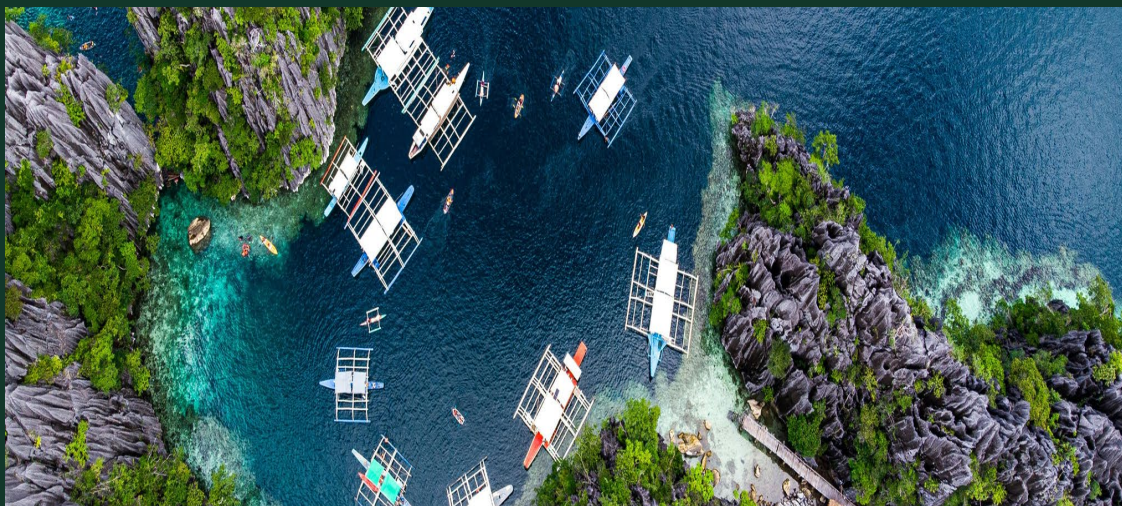




“Withholding tax” is a method of collecting in advance the income tax and business tax of certain taxpayers who are liable to pay income tax or business tax in the Philippines .

In the operation of the withholding tax system, the PAYEE is the taxpayer, the person to whom the tax is imposed, while the PAYOR, act no more than a withholding agent of the government for the collection of tax in order to ensure its payment .

The duty to withhold is different from the duty to pay tax . Thus, if the PAYOR who is duty bound to withhold the tax fails to withhold and remit the said tax to the government, the said expenses of the payor shall generally be disallowed as deduction from gross income .



Concept of Withholding Tax -at -Source

OBJECTIVE:



Encourage voluntary compliance



Prevent delinquencies and revenue loss



Reduces cost of collection effort



Prevent dry spell in the fiscal conditions of the government by providing revenues throughout the taxable year .



Who are constituted as Withholding Agents?

In general, any juridical person, whether engaged or not engaged in business;



An individual with respect to payments made in connection with his trade or business;

All government offices including GOCCs as well as provincial, city and municipal governments and barangays;



Person or entity who is in control of payments subject to withholding tax thus required to deduct and remit withholding tax.

I ♥ THE PHILIPPINES

I PAY MY TAXES RIGHT.

It's as easy as



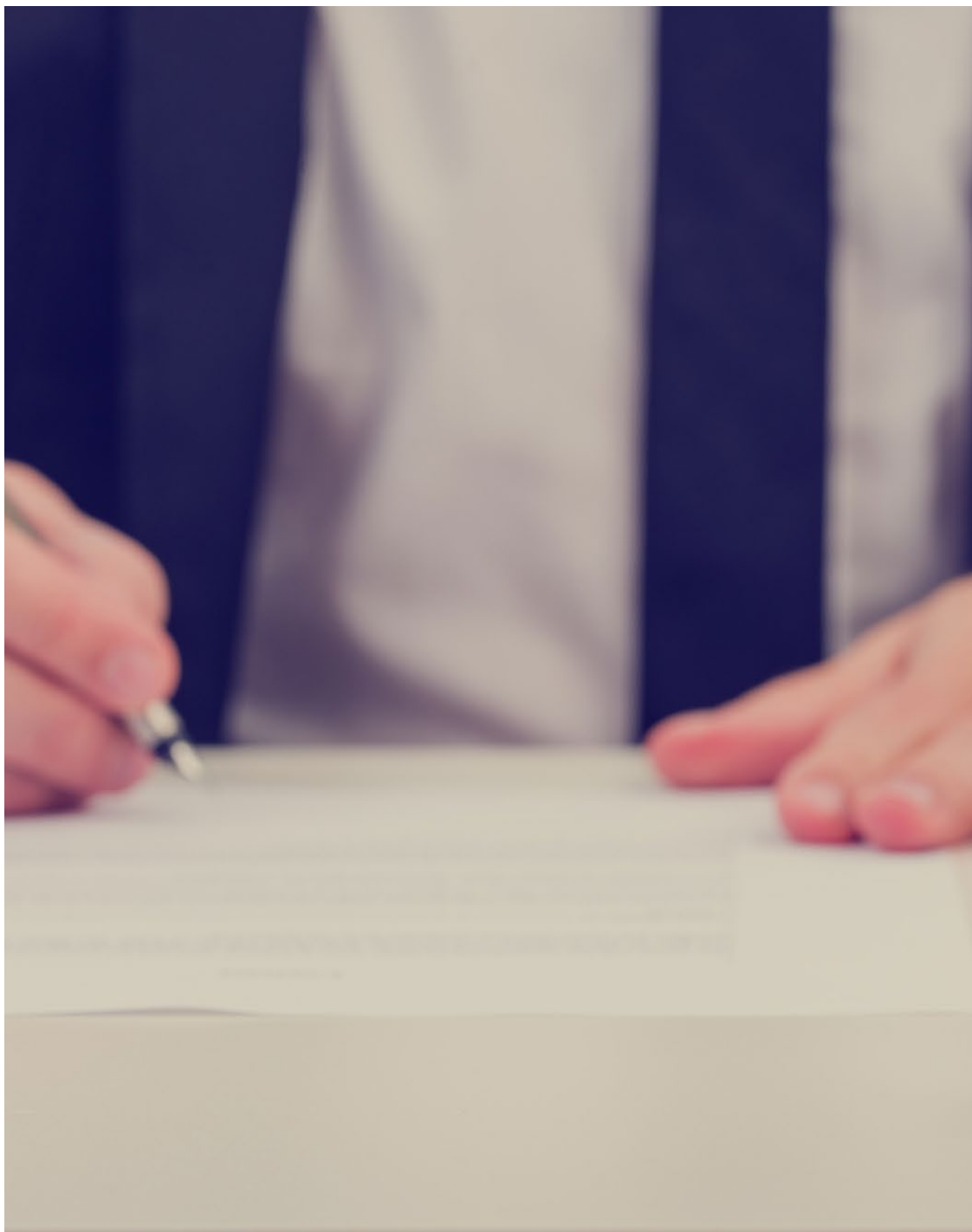
REGISTER



FILE

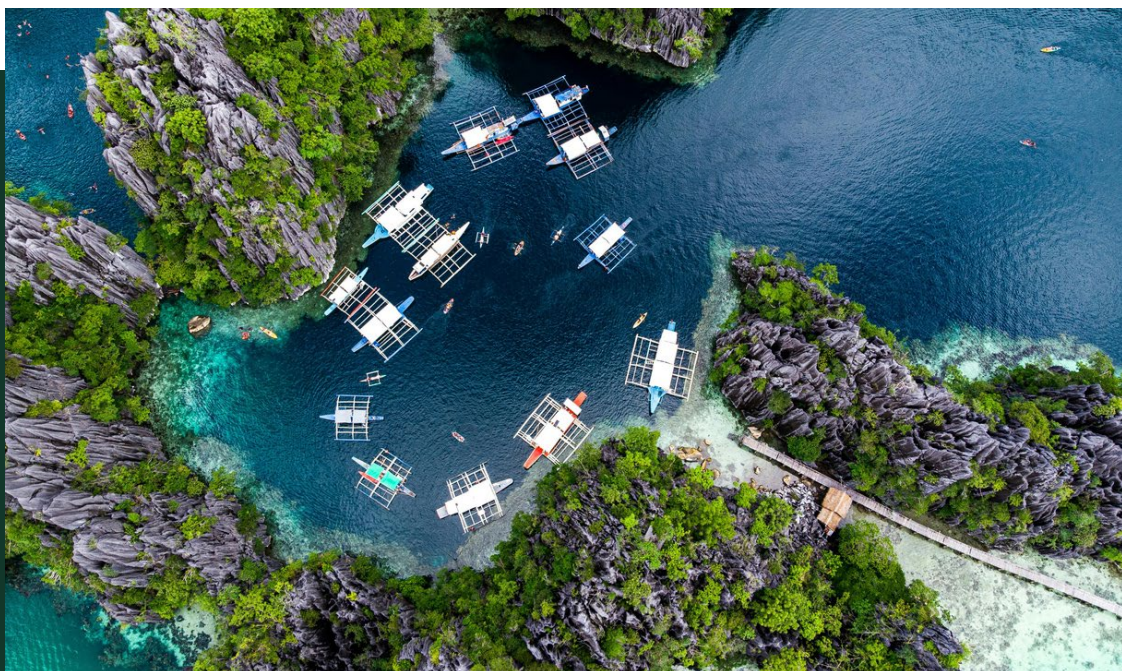


PAY



Who are the withholding agents required to register?

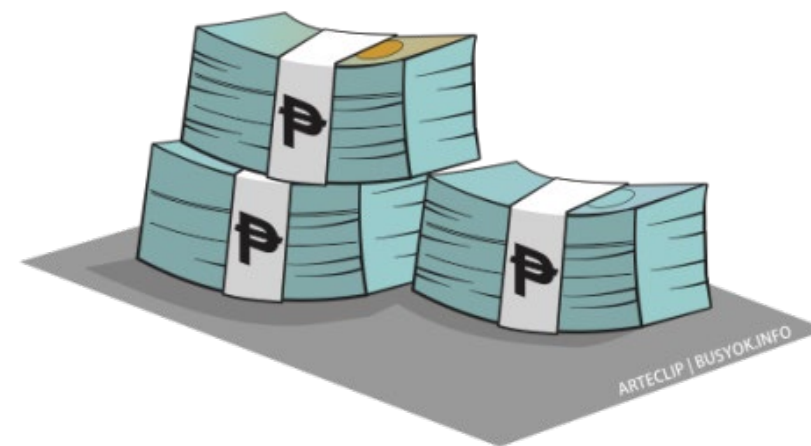
Treasurers of Local Government Units, Treasurer/Chief Accountant of government agencies and GOCC's or any person holding similar position and performing similar function as withholding agents, shall deduct and withhold the prescribed withholding taxes before making any payment to the seller of goods and services .



REGISTRATION



TIN: 123-456-789



Transactions



Withholding Agent

- ***Accountants***
- ***Treasurers***
- ***Other person performing similar function***

TIN: 987-654-321

RESPONSIBILITIES OF GOV'T OFFICIALS/EMPLOYEES AS WITHHOLDING AGENTS

To register the government office as withholding agent



To require employer to submit
BIR FORM 1902
BIRM 2305



To withhold the correct amount of
taxes


The image displays two BIR forms. The top form is BIR Form 1902, titled 'Application for Registration', which is used for individuals earning purely compensation income and non-resident citizens/resident alien employees. It includes fields for taxpayer type, date of registration, RDO code, and TIN. The bottom form is BIR Form 2305, titled 'Certificate of Update of Exemption and of Employer's and Employee's Information'. It contains detailed sections for taxpayer/employee information, including civil status, date of birth, residence address, and employment status. It also includes a declaration section and a section for personal exemptions.



To remit on time taxes withheld

To issue the corresponding
certification of taxes withheld

To do the year end
adjustment

For BIR Use Only Item:  Republic of the Philippines
Department of Finance
Bureau of Internal Revenue


Annex "A"

BIR Form No. **0619-E**
January 2018
Page 1

**Monthly Remittance Form
of Creditable Income Taxes Withheld (Expanded)**

Enter all required information in CAPITAL LETTERS using BLACK ink. Mark all applicable boxes with an "X".
Two copies MUST be filed with the BiR and one held by the Taxpayer.


(To be filled up by the BIR)
DLN: PSOC: PSIC:

 Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas
Under RAs 1051, 7649, 8241 and 8424

**Monthly Remittance Return
of Value- Added Tax and Other
Percentage Taxes Withheld**

BIR Form No. **1600**
July, 1999 (ENCS)


DLN:

 Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas

**Certificate of Final
Income Tax Withheld**

BIR Form No. **2306**
July, 1999 (ENCS)

1 For the Year: []

 Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas

**Certificate of Creditable Tax
Withheld At Source**

BIR Form No. **2307**
September 2005 (ENCS)

1 For the Period
From [] (MM/DD/YY) To [] (MM/DD/YY)

Part I Payee Information

2 Taxpayer Identification Number []

3 Payee's Name []
(Last Name, First Name, Middle Name for Individuals) (Registered Name for Non-Individuals)

4 Registered Address [] 4A Zip Code []

5 Foreign Address [] 5A Zip Code []

Payor Information

6 Taxpayer Identification Number []

7 Payor's Name []
(Last Name, First Name, Middle Name for Individuals) (Registered Name for Non-Individuals)

8 Registered Address [] 8A Zip Code []

PART II Details of Monthly Income Payments and Tax Withheld for the Quarter

Income Payments Subject to Expanded Withholding Tax	ATC	AMOUNT OF INCOME PAYMENTS				Tax Withheld For the Quarter
		1st Month of the Quarter	2nd Month of the Quarter	3rd Month of the Quarter	Total	

**RESPONSIBILITIES OF GOV'T
OFFICIALS/EMPLOYEES AS WITHHOLDING AGENTS**


A wide panoramic view of a tropical coastline. The foreground is dominated by a deep blue sea with gentle ripples. In the middle ground, a series of steep, dark grey cliffs rise from the water's edge. These cliffs are heavily covered in lush green vegetation, with some rocky outcrops visible. A small, narrow white sandy beach is visible at the base of the cliffs on the left side. In the background, more distant, rounded hills or mountains are visible under a bright blue sky with scattered white clouds. The overall scene is a classic representation of a tropical paradise.

(To be filled up by the BIR)

▶ **DLN:**

PSOC:

▶ **PSIC:**



Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas

**Annual Information Return
of Income Taxes Withheld on
Compensation and Final Withholding Taxes**

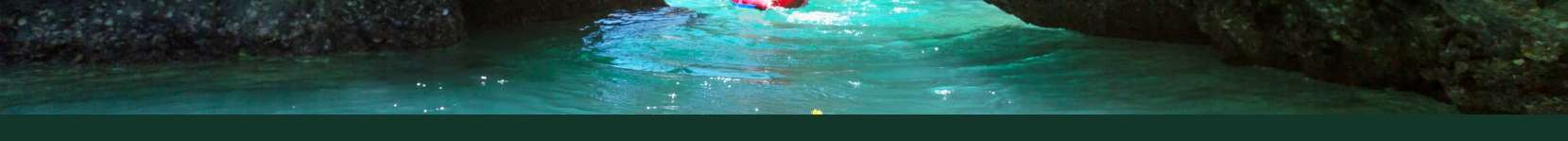
BIR Form No.

1604-CF

July 1999 (ENCS)

Fill in all applicable spaces. Mark all appropriate boxes with an "X".

RESPONSIBILITIES OF GOV'T OFFICIALS/EMPLOYEES AS WITHHOLDING AGENTS



TYPES OF WITHHOLDING TAXES



**Expanded
Withholding Tax**



**Final
Withholding Tax**



**Withholding Tax
on Compensation**



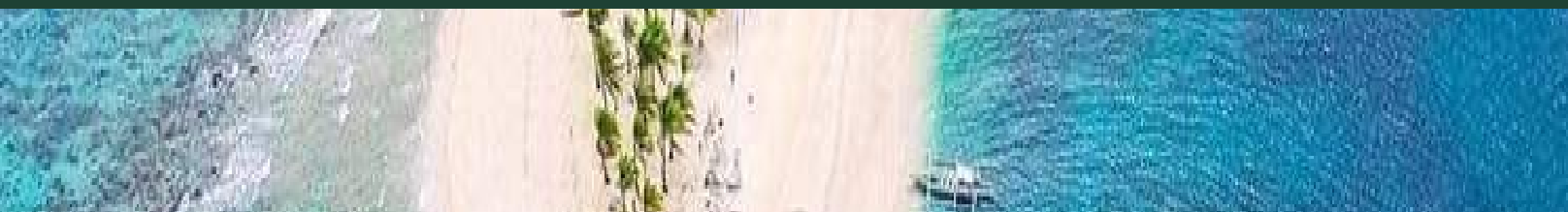
**Withholding Tax on
Government Money
Payment**







WITHHOLDING TAX on COMPENSATION

Is a method of collecting the income tax currently upon the receipt of the income . It is designed to insure the collection at source of income tax on compensation .



ISSUE 2316

For BIR Use Only BCS/ Item:		Republic of the Philippines Department of Finance Bureau of Internal Revenue	
BIR Form No. <div style="font-size: 24pt; font-weight: bold;">2316</div> September 2021(ENCS)		<div style="font-size: 18pt; font-weight: bold;">Certificate of Compensation Payment/Tax Withheld</div> For Compensation Payment With or Without Tax Withheld	
2316 9/21ENCS			
Fill in all applicable spaces. Mark all appropriate boxes with an "X".			
1 For the Year (YYYY) 		2 For the Period From (MM/DD) To (MM/DD) 	
Part I - Employee Information		Part IV-B Details of Compensation Income & Tax Withheld from Present Employer	
3 TIN - - 		A. NON-TAXABLE/EXEMPT COMPENSATION INCOME	
4 Employee's Name (Last Name, First Name, Middle Name) 		Amount	
5 RDO Code 		29 Basic Salary (including the exempt P250,000 & below or the Statutory Minimum Wage of the MWE) 	
6 Registered Address 		30 Holiday Pay (MWE) 	
6A ZIP Code 		31 Overtime Pay (MWE) 	
6B Local Home Address 		32 Night Shift Differential (MWE) 	
6C ZIP Code 		33 Hazard Pay (MWE) 	
6D Foreign Address 		34 13th Month Pay and Other Benefits (maximum of P90,000) 	
7 Date of Birth (MM/DD/YYYY) 	8 Contact Number 	35 De Minimis Benefits 	
9 Statutory Minimum Wage rate per day 		36 SSS, GSIS, PHIC & PAG-IBIG Contributions and Union Dues (Employee share only) 	
10 Statutory Minimum Wage rate per month 		37 Salaries and Other Forms of Compensation 	
11 <input type="checkbox"/> Minimum Wage Earner (MWE) whose compensation is exempt from withholding tax and not subject to income tax		38 Total Non-Taxable/Exempt Compensation Income (Sum of Items 29 to 37) 	
Part II - Employer Information (Present)		B. TAXABLE COMPENSATION INCOME REGULAR	
12 TIN - - 		39 Basic Salary 	
13 Employer's Name 		40 Representation 	
14 Registered Address 		41 Transportation 	
14A ZIP Code 		42 Cost of Living Allowance (COLA) 	
15 Type of Employer <input type="checkbox"/> Main Employer <input type="checkbox"/> Secondary Employer		43 Fixed Housing Allowance 	
Part III - Employer Information (Previous)		44 Others (specify) 	
16 TIN - - 		44A 	
17 Employer's Name 		44B 	
18 Registered Address 		SUPPLEMENTARY	
18A ZIP Code 		45 Commission 	
Part IVA - Summary		46 Profit Sharing 	
19 Gross Compensation Income from Present Employer (Sum of Items 38 and 52) 			
20 Less: Total Non-Taxable/Exempt Compensation 			



IMPORTANT THINGS TO REMEMBER FOR COMPENSATION INCOME

No more deduction
for your status
whether **SINGLE,**
MARRIED or **HEAD**
OF THE FAMILY or
with **CHILDREN**

Income below
P250,000 is
EXEMPT
No need to file ITR

FINAL WITHHOLDING TAX

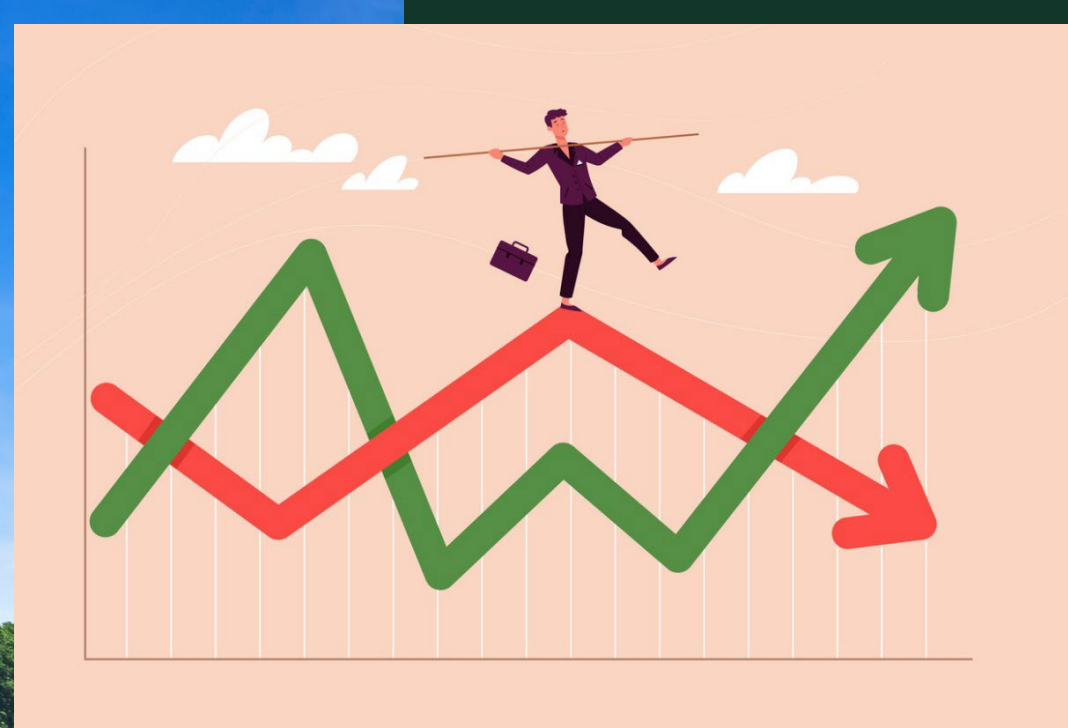
These are withholding taxes on special income subject to final taxes. The income are not included in the computation of the taxable income and therefore, the corresponding final taxes cannot be claimed as tax credit.



These are withholding taxes on ordinary business income . The Income are includible in the computation of the gross income and therefore, the related withholding taxes are deductible as tax credit .

CREDITABLE WITHHOLDING TAX





RATES



What are the withholding tax rates applicable?

INCOME TAX

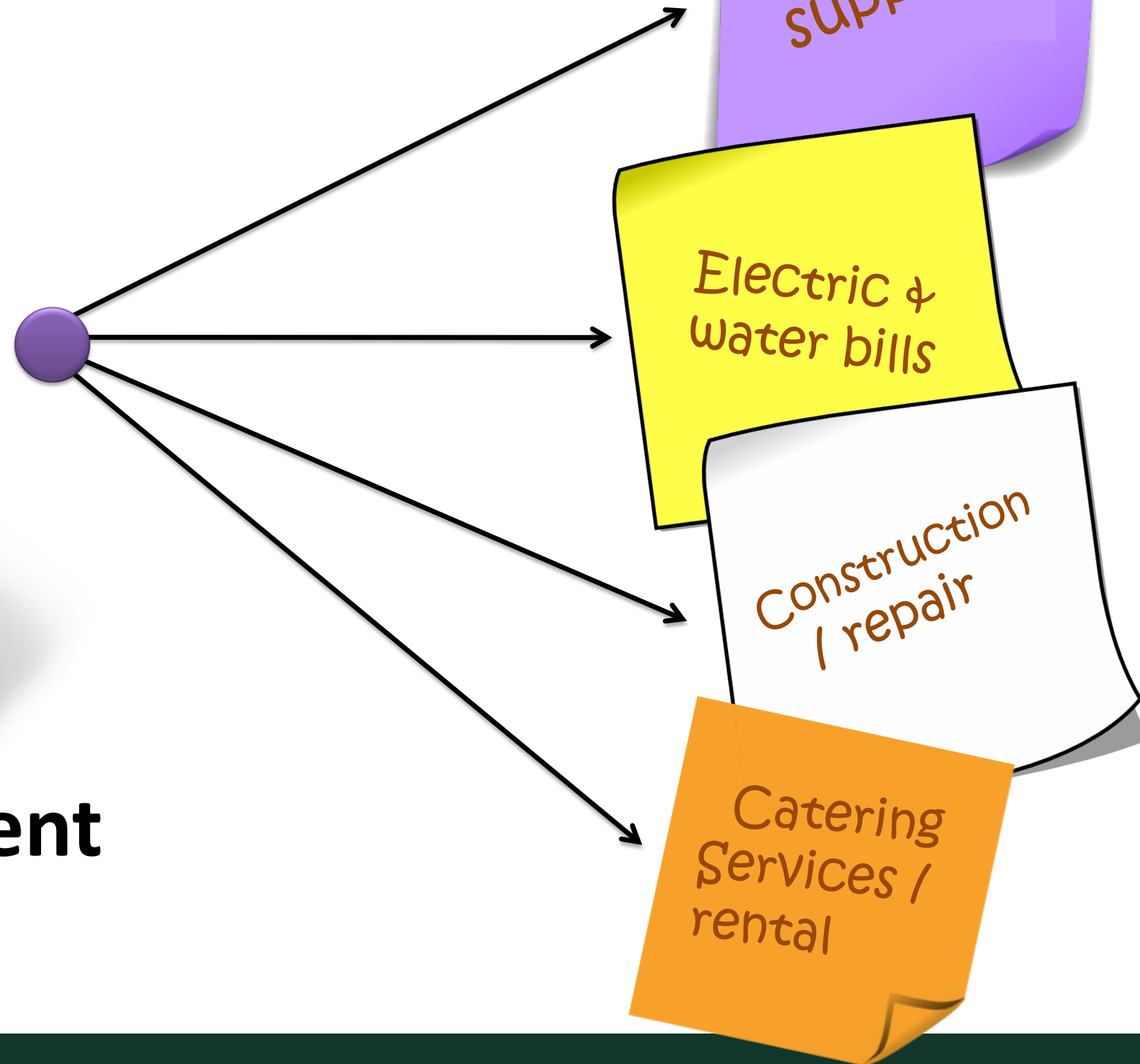
Payment of Goods	1%
Payment for Services	2%

BUSINESS TAX

If Non-VAT registered	3%
If VAT registered	5%



Withholding Agent



15%

If gross income exceeds
720,000.

10%

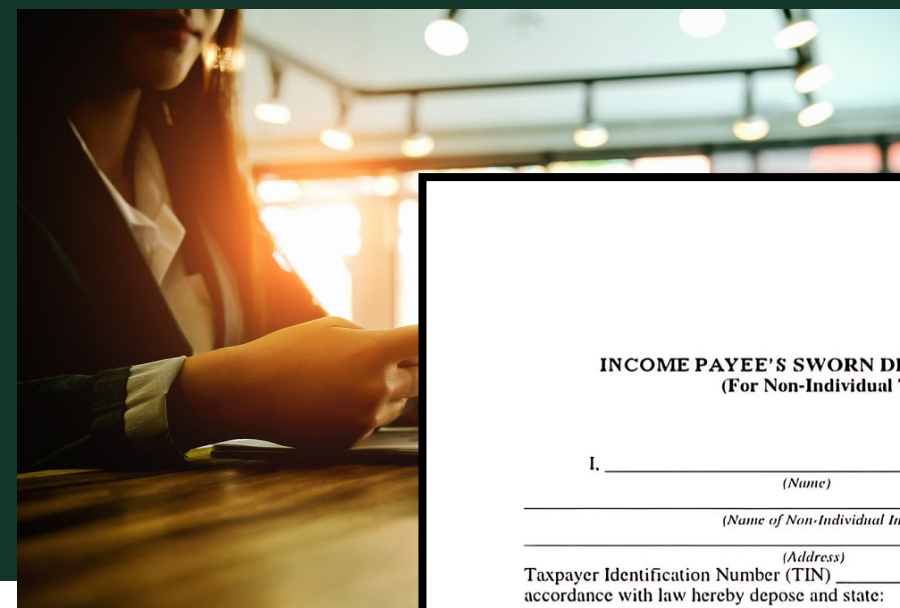
If otherwise (does not exceed
720K).

On the gross professional, promotional and talent
fees or any other form of remuneration for the
services rendered.



Professional Fees, talent Fees,
etc. for services rendered by
taxable juridical persons

Gross income is estimated not to exceed ₱720,000 during the taxable year



The authorized officer is required to provide all its income payors/withholding agents with a notarized sworn statement to the effect (Annex “B -3”),

Together with a copy of the C O R, not later than January 15 of each year or prior to the initial income payment so that the income payor/withholding agent shall only withhold ten percent (10%).

The sworn declaration shall be executed by the president/managing partner of the corporation/company/general professional partnerships.

ANNEX “B-3”

INCOME PAYEE'S SWORN DECLARATION OF GROSS RECEIPTS/SALES
(For Non-Individual Taxpayer with Several Income Payors)

I, _____, _____, authorized officer of _____
(Name) (Citizenship)
with registered address at _____
(Name of Non-Individual Income Payee) with _____
(Address)
Taxpayer Identification Number (TIN) _____, after having been duly sworn in accordance with law hereby depose and state:

1. That for the current year _____, the gross receipts of the aforesaid non-individual payee will not exceed Seven Hundred Twenty Pesos (₱720,000);
2. That I duly execute this **SWORN DECLARATION** in compliance with the requirement prescribed under Section _____ of Revenue Regulations No. _____.

2303
REVISED: APRIL 2019

REPUBLIKA NG PILIPINAS
KAGAWARAN NG PANANALAPI
KAWANIHAN NG RENTAS INTERNAS
REVENUE REGION NO. 07B - EAST NCR
REVENUE DISTRICT OFFICE NO. 043 - PASIG

OCN: _____
Date OCN Generated: September 17, 2021

CERTIFICATE OF REGISTRATION

TIN & BRANCH CODE	NAME OF TAXPAYER	TIN ISSUANCE DATE
REGISTERING OFFICE	X Head Office Branch	August 18, 2005
REGISTERED ADDRESS		


EXPANDED/OTHERS		2018		month following the month in which withholding was made.
WITHHOLDING TAX - FINAL	0619F	September 11, 2021	MONTHLY	On or before the 10th day following the month in which withholding was made.
WITHHOLDING TAX - FINAL	1604F	January 1, 2022	ANNUALLY	On or before January 31 of the year following the calendar year in which the income payments subject to final withholding taxes were paid or accrued.
WITHHOLDING TAX - FINAL	1601FQ	September 11, 2021	QUARTERLY	Not later than the last day of the month following the close of the quarter during which withholding was made.

TAXPAYER TYPE/S DOMESTIC CORPORATION

BUSINESS INFORMATION DETAILS			CATEGORY	REGISTRATION DATE
TRADE NAME 1 (PSIC)	70200-MANAGEMENT CONSULTANCY ACTIVITIES			August 18, 2005
Line of Business	MANAGEMENT CONSULTANCY ACTIVITIES		Primary	
(PSIC)	47999-OTHER RETAIL SALE NOT IN STORES, STALLS OR MARKETS			
Line of Business	RETAIL TRADE NOT IN STORES, STALLS OR MARKETS		Secondary	
(PSIC)	47911-RETAIL SALE VIA MAIL ORDER			
Line of Business	RETAIL TRADE NOT IN STORES, STALLS OR MARKETS		Secondary	
(PSIC)	47230-RETAIL SALE OF TOBACCO PRODUCTS IN SPECIALIZED STORES			
Line of Business	RETAIL SALE OF TOBACCO PRODUCTS IN SPECIALIZED STORES		Secondary	

REMINDERS:

1. An annual registration fee shall be paid upon registration and every year thereafter on or before the last day of January, using BIR Form No. 0605.
2. Filing of required tax return/s to conform with the above tax types, whether with or without business operation, to avoid penalties.




The fifteen percent (15%) withholding tax rate shall be applied in the following cases :

01.

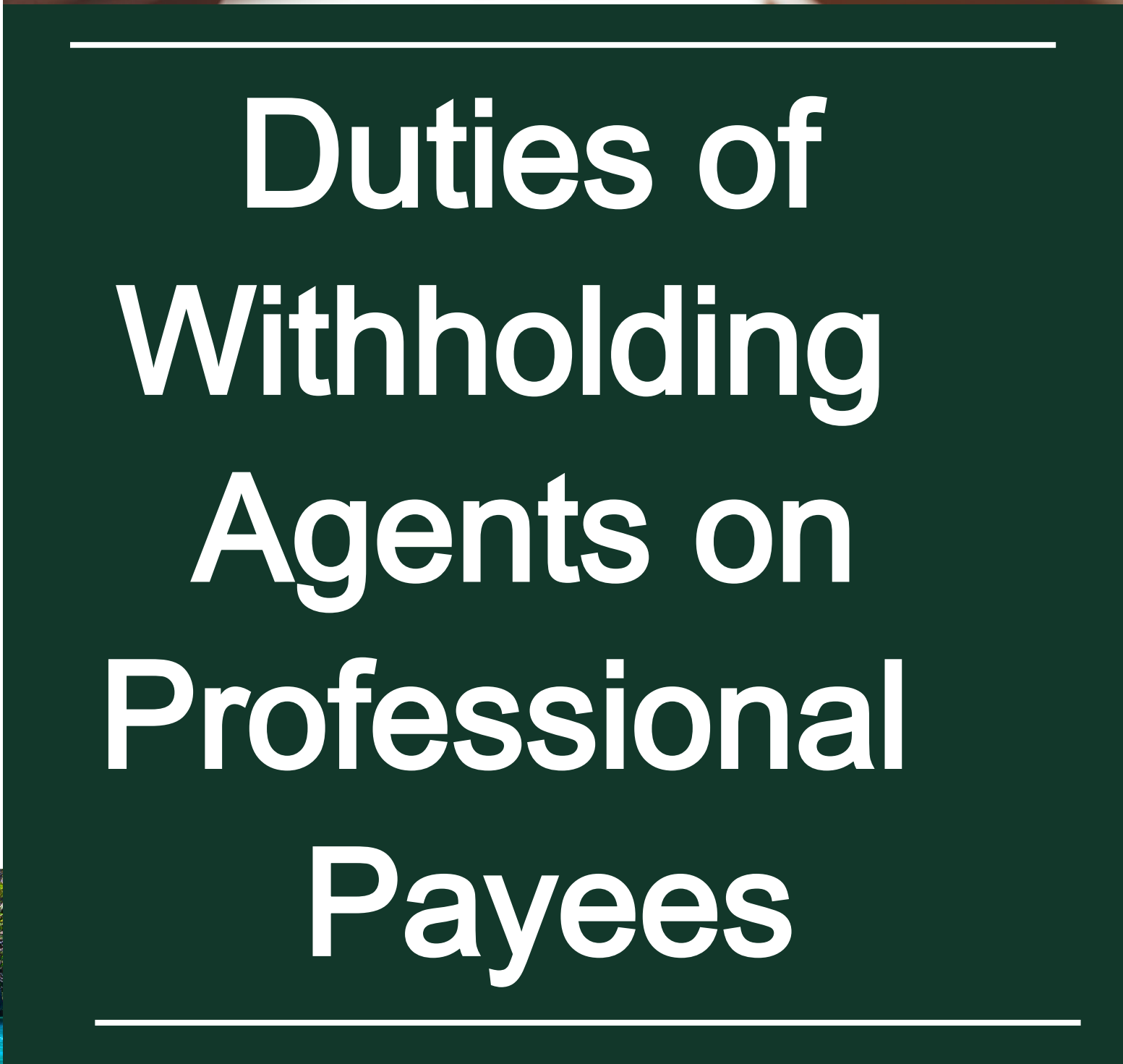
The payee failed to provide the income payor/withholding agent of such declaration; or

02.

The income payment exceeds ₱720,000, despite receiving the sworn declaration from the income payee.



Such declaration shall be submitted, together with the list of payees, to the concerned BIR office where registered on or before January 31 of each year or fifteen (15) days following the month when a new income recipient has submitted the payee's sworn declaration .



Annex C

Annex “C”

INCOME PAYOR/WITHHOLDING AGENT'S SWORN DECLARATION

I, _____, _____, of legal age, single/
married, the designated _____ of _____
with Taxpayer Identification Number (TIN) _____, after having been duly sworn in
accordance with law hereby depose and state:

1. That there are _____ income payees (self-employed individuals) where no withholding is made, consisting of the following:

Type of withholding NOT withheld	Number of income payees
Expanded WT only	
WT on VAT/Percentage Tax only	
Both expanded and VAT/Percentage tax	
Total	

2. That the above payees where no withholding tax is deducted from their income payment/s have executed the required **Income Payee's Sworn Declarations** on the amount of gross receipts which they expect to receive for the year _____, and these sworn declarations are duly received together with copies of their Certificate of Registration (COR);
3. That there are _____ individual income payees withheld five percent (5%) withholding tax rate due to their submission of "**Payee's Sworn Declaration of Gross Receipts/Sales**" stating that their gross receipts/sales shall not exceed ₱3,000,000 (₱3M) for the current year, while _____ non-individual payees submitted "**Income Payee's Sworn Declaration**" stating that their gross receipts/sales shall not exceed ₱720,000 for the current year;
4. That I am attaching with this sworn declaration the list of individual payees subject of items 1 and 2 above consisting of _____ number of pages, the list of individual payees subject of item 3 above with _____ number of pages, and the list of non-individual payees subject also of item 3 above with _____ number of pages;
5. That the submission is in compliance with the requirements prescribed under Section _____ of Revenue Regulations No. _____.
6. That this declaration, including the attached list/s, is made in good faith, to the best of my knowledge and belief, to be true and correct, under the penalties of perjury.

Annex “C”

INCOME PAYOR/WITHHOLDING AGENT'S SWORN DECLARATION

I, _____, _____, of legal age, single/
married, the designated _____ of _____
with Taxpayer Identification Number (TIN) _____, after having been duly sworn in
accordance with law hereby depose and state:

1. That there are _____ income payees (self-employed individuals) where no withholding is made, consisting of the following:

Type of withholding NOT withheld	Number of income payees
Expanded WT only	
WT on VAT/Percentage Tax only	
Both expanded and VAT/Percentage tax	
Total	

2. That the above payees where no withholding tax is deducted from their income payment/s have executed the required **Income Payee's Sworn Declarations** on the amount of gross receipts which they expect to receive for the year _____, and these sworn declarations are duly received together with copies of their Certificate of Registration (COR);
3. That there are _____ individual income payees withheld five percent (5%) withholding tax rate due to their submission of "**Payee's Sworn Declaration of Gross Receipts/Sales**" stating that their gross receipts/sales shall not exceed ₱3,000,000 (₱3M) for the current year, while _____ non-individual payees submitted "**Income Payee's Sworn Declaration**" stating that their gross receipts/sales shall not exceed ₱720,000 for the current year;
4. That I am attaching with this sworn declaration the list of individual payees subject of items 1 and 2 above consisting of _____ number of pages, the list of individual payees subject of item 3 above with _____ number of pages, and the list of non-individual payees subject also of item 3 above with _____ number of pages;
5. That the submission is in compliance with the requirements prescribed under Section _____ of Revenue Regulations No. _____.
6. That this declaration, including the attached list/s, is made in good faith, to the best of my knowledge and belief, to be true and correct, under the penalties of perjury.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20__ at _____, Philippines

Signature over Printed Name of Withholding Agent/Authorized Officer of the Withholding Agent

Designation/Position of Authorized Officer

Name of Withholding Agent/Law Payor

SUBSCRIBED AND SWORN to before me this ____ day of _____, 20__ in
_____. Applicant exhibited to me his/her _____ issued at
_____ on _____
(Government Issued ID and No.)

NOTARY PUBLIC

Doc. No.: _____
Page No.: _____
Book No.: _____
Series of _____

Affix ₱30.00
Documentary
Stamp Tax

(To be filled-out by the concerned Revenue Officer)

Date Received: _____
(MM-DD-YYYY-00001)

Received by:

Signature over Printed Name of Revenue Officer

Designation/Position of Revenue Officer

RDO No.

EASE OF PAYING TAXES REPUBLIC ACT NO. 11976





The law aims to simplify tax filings, particularly for those classified as Micro and Small Taxpayers, by introducing the file -and -pay anywhere system and allowing most of the tax processes to be done online . It also included the shift to an invoice system to improve the registration process as well as to accelerate the processing of VAT refunds .

BACKGROUND

Republic Act (RA) No . 11976 , otherwise known as the “Ease of paying Taxes (EOPT) Act”, was signed into law on January 5, 2024 by President Ferdinand R. Marcos, Jr., together with his VETO message . It was published in the Official Gazette on January 7, 2024 and took effect on January 22, 2024 or 15 days from its publication in the Official Gazette .

EOPT ACT

■ 05 January 2024



Signing into law

Republic Act no. 11976, otherwise known as the **EASE OF PAYING TAXES (EOPT)**, was signed into law by President Marcos

■ 22 January 2024



Effectivity

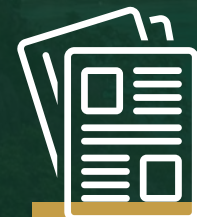
EOPT took effect 15 days after its publication

■ 6 month period



Transitory period

6-month transitory period from the effectivity of the IRR to comply with amendments to **TITTLE IV (VAT)** and **TITLE V (OPT)**



Publication

The law was published in the Official Gazette

■ 07 January 2024



Promulgation of IRR

SoF, after consultation with BIR and private sector, would promulgate the IRR within 90 calendar days from effectivity

■ 21 April 2024

Ease of Paying Taxes (EOPT) Act

Republic Act No. 11976

General Update

Before EOPT

EOPT



Ease of Paying Taxes (EOPT) Act

Republic Act No. 11976

Before EOPT

Authorized Agent Banks (AAB),
Revenue District Office (RDO),
Duly Authorized Treasurer of
the city or municipality having
jurisdiction over the location of
the principal office

Surcharge on wrong venue
filing - 25 % of basic due



Venue of filing and Payment

(Sec. 22, 51, 77, 81, 80, 91,
103, 114, 128, 200, 245)

EOPT

Any AAB, RDO through
RCO, authorized tax
software provider

Surcharge on wrong
venue filing - **removed**



File and Pay Anywhere

The EOPT Act now allows taxpayers to file tax returns and pay their taxes, either electronically or manually, with any Authorized Agent Bank, Revenue District Office (through its Revenue Collection Officers), or Authorized Tax Software Provider. This gives taxpayers the flexibility in filing and paying their taxes anywhere without worries of incurring administrative penalties for filing at the wrong venue.

Q:

With the removal of the twenty -five percent (25%) surcharge for “wrong venue” filing, does it mean that the same shall not be imposed on taxpayer who manually paid the tax due to an AAB outside the jurisdiction of the Revenue District office (RDO) where the taxpayer is registered?

Yes, the twenty- five percent (25%) surcharge shall no longer be imposed as this has already been removed under the EOPT Act.

A:

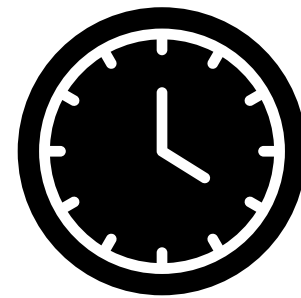


Ease of Paying Taxes (EOPT) Act

Republic Act No. 11976

Withholding Tax

Income payment is paid or payable, or the income payment is accrued or recorded as an expenses or asset, whichever is applicable, in the payor's books, whichever comes first



**Timing of
Withholding**
(Sec. 58)

The obligation to withhold arises at the time the income has become payable .



REVENUE REGULATION NO. 4 -2024

SECTION 7. Withholding of Tax at Source.

Section 2.57.4 of RR No. 2 -98, as amended, shall now read as follows:

“Sec . 2.57.4. Time of Withholding . - The obligation of the payor to deduct and withhold the tax under Section 2.57 of these Regulations arises at the time an income has become payable . The term “payable” refers to the date the obligation becomes due, demandable or legally enforceable . The obligation of the payor to deduct and withhold the tax arises at the time an income payment is accrued or recorded as an expense or asset, whichever is applicable, in the adequate document to support such payable, whichever comes first .”



The EOPT introduced a new provision in the Tax Code that explicitly defines the rule on the timing of withholding of taxes on income payments. As modified, the tax law provides that the obligation to deduct and withhold the tax arises at the time the income has become payable. Implementing this is RR No. 4-2024, which interprets the term “payable” in the same way as RR No. 02-98 did. It is provided in RR No. 04-2024 that an income becomes payable when the obligation becomes due, demandable, or legally enforceable. However, as to the point in time for the withholding of the tax, the said RR requires the payor to withhold “at the time an income payment is accrued or recorded as an expense or asset, whichever is applicable, in the payor’s books, or upon the issuance by the seller of the sales invoice or other adequate document to support such payable, whichever comes first.”

It can be gleaned that RR No.4-2024 deleted the phrase “at the time an income payment is paid or payable” and replaced it with another event, that is, at the time of the issuance by the seller of the sales invoice or other adequate document to support such payable.



Timing of Withholding



The term “payable” refers to the date the obligation becomes due, demandable, and legally enforceable . As such, the timing of withholding is at the time an income payment is accrued or recorded as an expense or asset, whichever is applicable, in the payor’s books, or at the issuance by the seller of the sales invoice or other adequate document to support such payable, whichever comes first .

Ease of Paying Taxes (EOPT) Act

Republic Act No. 11976

i. For every sale of goods or properties - Sales Invoice

ii. For Every sale of services, use or lease of properties - Official Receipts

iii. Business Style of the purchaser is required



VAT Invoicing Requirements

(Sec. 113)

i. For every sale of goods, properties, services, use or lease of properties - Sales Invoice

ii. Business Style is not required

iii. Input VAT on Sales Invoice with lacking information can still be claimed provided the lacking information do not pertain to the following:

- a. amount of sales
- b. amount of VAT
- c. Name and TIN of both buyer and seller
- d. Date of transaction

ANGELA DELA CRUZ, M.D.
Rm. 205 St. Luke’s Hospital, E. Rodriguez Sr.,Q.C.
NON-VAT Reg. TIN: 144-424-024-0000

SALES INVOICE

DATE _____

Billing Invoice No.	Amount	
Total Sales		
Less: SC/PWD Discount		
Total Due		
Less: Withholding Tax		
Payment Due		
Form of Payment:		
Cash	<input type="checkbox"/>	Check <input type="checkbox"/>

Received from _____ with TIN _____
and address at _____ engaged in the
business style of _____, the sum of
_____ pesos
(₱ _____) In partial/full payment for _____.

By: _____	
Sr. Citizen TIN _____ Cashier/ Authorized Representative	
OSCA/PWD ID No.	Signature

10 BkIts (3x) 1001-1500
BIR Authority to Print No. 3AU000805222
Date Issued **07-30-13: Valid until 07-29-2018**
BERTHA PRINTING SERVICES, INC.
Bgy. 789, Quezon City
TIN: 123-456-789-0000



No. 1001

Printer’s Accreditation No. P08051200
Date Issued 08-01-12

“THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAXES”

THIS OFFICIAL RECEIPT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF ATP.

**NO
EXPIRY**

Sample Only

SARISARI ENTERPRISES
U115 G/F SM North Edsa, Quezon City
NON-VAT Reg. TIN: 245-406-465-0000

“Annex C.9”

SALES INVOICE

Sold to:	_____	Date:	_____
TIN:	_____	Terms:	_____
Address:	_____	OSCA/PWD ID No.:	_____
	_____	SC/PWD Signature:	_____
Business Style:	_____		

QUANTITY	UNIT	ARTICLES	UNIT PRICE	AMOUNT
		SSPT	Total Sales	
		Exempt Sales	Less: SC/PWD-Discount	
TOTAL AMOUNT DUE				

10 Bklts (3x) 1001-1500
BIR Authority to Print No. **3AU000805222**
Date Issued : **07-30-13: Valid until 07-29-2018**
JDC PRINTING SERVICES, INC.
Bgy. 123, Quezon City
TIN: 123-456-789-0000

Cashier/Authorized Representative
Printer’s Accreditation No. P08051200
Date Issued: 08-01-12

No. 1001

“THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAXES”
THIS INVOICE SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF ATP.

BIR removed the five-year validity period of receipts and invoices, in line with Republic Act (RA) No. 11032 otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018. This new revenue issuance relieves taxpayers of the burden of continuously incurring costs of reproducing their receipts/invoices every five years.



Ease of Paying Taxes (EOPT) Act

Republic Act No. 11976

Compliance Requirements/Administrative Provisions

Book of accounts shall be preserved for a period beginning from the last entry in each book until the last day within which the Commissioner is authorized to make an assessment **10 years** under RR No. 17-13.



**Preservation of
Books of Accounts
and other
accounting
records**
(Sec. 235)

Book of accounts shall be preserved for a period of **5 years** reckoned from the day following the deadline in filing a return, or if filed after the deadline, from the date of filing of the return, for the taxable year when the last entry was made in the book of accounts .





BUREAU OF INTERNAL REVENUE
REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
RDO No. 067 - LEGASPI CITY, ALBAY

ORIGINAL

ARN 522067BA001956

TIN : 608023863-00000

Registered Name : WENN DY

Registered Business Address : AGPAY, GUINOMAYAN, ALBAY

Type of Book : Computerized

Book Registered : COMPONENT-ACCOUNTS RECEIVABLE

Quantity : 10

Volume No. : 1 of 10

Date Registered : 27-12-2022

Date Approved : 27-12-2022

PTU No./AC Control No. : PTU CAS 067 123456

PTU/AC Date Issued : 27-12-2022



Note: This Cover Page MUST be displayed/attached in front of each registered Book of Account. Penalty for failure to display Cover Page shall be imposed per existing revenue regulations and ordinances.

This cover page has been generated for the purpose of Bookkeeping Requirements as amended.

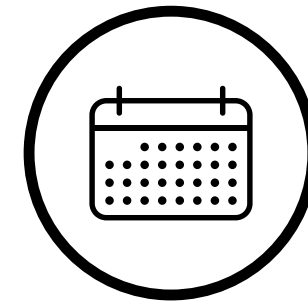
Taxpayers are now required to register their books of accounts through the BIR's Online Registration and Update System (ORUS).

After the registration, a Quick Response (QR) Stamp shall be generated upon successful registration of the books of accounts. Taxpayers shall then paste the QR Stamp on the first page of their manual books of accounts and permanently bound loose leaf books of accounts. In the case of computerized books of accounts, the QR Stamp shall be attached to the transmittal letter showing detailed content of the USB flash drive where the books of accounts and other accounting records are stored upon submission to the BIR.

Ease of Paying Taxes (EOPT) Act

Republic Act No. 11976

Annual registration fee of 500 pesos shall be paid for every separate or distinct establishment or place of business, including facility types where sales transactions occur, upon registration and every year thereafter on or before January 31



**Annual
Registration
Fee**

(Sec. 236 B)

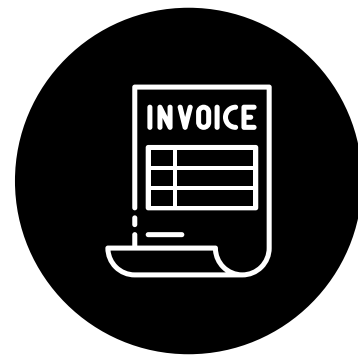
Requirement to pay annual registration fee was removed.

Ease of Paying Taxes (EOPT) Act

Republic Act No. 11976

Threshold:
One hundred
pesos (P100.00)

Provision for
Adjustment of
Threshold: None



Issuance of
Invoice
(Sec. 237)

Threshold: Five hundred Pesos
(P500.00)

Generally, one invoice for each sale

If the transaction is below P500, the seller will issue one invoice for the aggregate sales amount at the end of the day if the aggregate sales at least P500;

VAT registered taxpayers shall issue registered VAT invoice regardless of amount

Provision for Adjustment of Threshold: Every three years using the consumer price index, as published by the PSA



Q:

The seller is using the Official Receipt format below, can he/she/it convert this Official Receipt to an Invoice?

Sample Only: Conversion of Official Receipt "Annex C.1.2"

Bill of Materials	Amount
QTY:	UNIT COST:
Total Sales (VAT Inclusive)	
Less: VAT	
Total	
Less: SC/PWD Discount	
Total Due	
Less: Withholding Tax	
Amount Due	

Received from _____ with TIN _____
and address at _____ engaged in the
business style of _____, the sum of _____ pesos

(P _____) In partial/full payment for _____
NATURE OF SERVICE _____

Sr. Citizen TIN _____ By _____
Cashier/ Authorized Representative

OSCA/PWD ID No. _____ Signature _____

Form of Payment:
Cash ☐ Check ☐

10 Bkts (3x) 1001-1500
BIR Authority to Print No. 3AU000805222
Date Issued 07-30-13 :
BERTHA PRINTING SERVICES, INC.
Bgy. 789, Quezon City
TIN: 123-456-789-0000

No. 1001

Printer's Accreditation No. P08051200
Date Issued 08-01-12
BUREAU OF INTERNAL REVENUE
RECORDS MANAGEMENT DIVISION



REVENUE MEMORANDUM

CIRCULAR NO. 077 -2024



Q1:

What is the invoicing requirement for a VAT -registered person?

A1:

A VAT-registered person shall issue a duly registered VAT Invoice for every sale, barter, exchange or lease of goods or properties, and for every sale, barter or exchange of service regardless of the amount of the transaction .

REVENUE MEMORANDUM

CIRCULAR NO. 077 -2024

Q2:

What is the invoicing requirement for a Non -VAT registered person?

A2:

A VAT-registered person shall issue a duly registered **Non -VAT** Invoice for every sale, barter, exchange or lease of goods or properties, and for every sale, barter or exchange of services valued at Five Hundred Pesos (Php 500.00) or more . However, if a buyer requests for an Invoice, the seller must issue the same regardless of the amount of transaction .



REVENUE MEMORANDUM

CIRCULAR NO. 077 -2024

Q3:

Does a seller need to issue an Invoice if the sale amount of a single transaction is less than P500.00?

A3:

The following rules shall be observed:

a

For VAT-registered sellers, the issuance of VAT Invoice for each sale transaction is required, regardless of the amount of transaction.

b

For Non-VAT registered sellers, an invoice shall be issued in the following cases:

i

The amount of a single sale transaction is more than P500.00;

ii

The buyer requested/demand an invoice, regardless of the amount of sales transaction;

iii

If at the end of the day, the aggregate amount of all sales transactions amounting to less than P500.00 exceeded the P500.00 threshold.

REVENUE MEMORANDUM

CIRCULAR NO. 077 -2024

Q4:

While the EOPT Act eliminates the Official Receipts as evidence of sales of goods and services for the purposes, can sellers still validly use and issue their remaining unused booklets of Official Receipts?

A4:

Upon effectivity of RR No. 7-2024, Official Receipts is treated as a supplementary document. Taxpayers, however, have the following options on the remaining unused Official Receipts:

Option 1:

Continue the use of remaining Official Receipts as supplementary document ; or

Option 2:

Convert and use the remaining Official Receipts as Invoice following the requirement in Question No. 10 and Question No. 21 hereof.



CONSTRUCTIVE STAMPING OF DST





CONSTRUCTIVE AFFIXTURE OF DST REVENUE REGULATIONS NO. 2 -2023



In lieu of the loose documentary stamps, all government agencies or instrumentalities shall use the constructive affixture of documentary stamp on the certificates they issue which are subject to DST. These government agencies or instrumentalities shall be constituted as agents of the Commissioner of Internal Revenue for the collection and remittance of such DST to the Bureau of Internal Revenue (BIR).

For every issuance of certificate, the government agencies or instrumentalities shall collect from their applicants the corresponding amount of DST due thereon which shall be indicated as one of the items in the government official receipt. The said receipt shall be attached to the taxable certificate as proof of payment of the tax.





The collected DST shall be remitted monthly by filing the Documentary Stamp Tax Declaration/Return (BIR Form No. 2000) and paying the tax through the available payment facilities of the BIR on or before the fifth (5th) day of the following month.

Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

BIR Form No. 2000
January 2018 (ENCS)
Page 1

Monthly Documentary Stamp Tax Declaration/Return

Enter all required information in CAPITAL LETTERS using BLACK ink. Mark all applicable boxes with an "X". Two copies MUST be filed with the BIR and one held by the Taxpayer.

2000 01/18 ENCS P1

1 For the month of (MM/DD/YYYY) 2 Amended Return? ☐ Yes ☐ No 3 Number of Sheet/s Attached

Part I – Background Information

4 Taxpayer Identification Number (TIN) 5 RDO Code

6 Taxpayer's Name (Last Name, First Name, Middle Name for Individual OR Registered Name for Non-Individual)

7 Registered Address (Indicate complete address. If branch, indicate the branch address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905)

8 Contact Number (Landline/Cellphone No.) 9 Email Address 7A ZIP Code

10 Other Party to the transaction ☐ Creditor/Mortgagor/etc. ☐ Debtor/Mortgagee/etc. ☐ None

11 Name (Last Name, First Name, Middle Name for Individual OR Registered Name for Non-Individual)

12 TIN

13 Mode of Affixture ☐ eDST System ☐ Constructive Affixture ☐ Loose Stamps

Part II – Computation of Payable

A. For Electronic Document (eDST) System and Constructive Affixture of Documentary Stamp

14 Tax Due for the month (Sum of Items 15 & 16)

Less: 15A BIR eDST System Fee (2%)

15B Documentary Stamp Tax (2%)

16 Net Tax Due (Sum of Items 14 Less Item 15B)

Add: Penalties (If any)

18 Total Tax Due (Sum of Items 16 & 17)

B. For Sale of Real Property

19 Total Amount Due (Sum of Items 18 & 19)

Month (From Schedule 4)

We declare under the penalty of perjury that the information furnished herein is true and correct, pursuant to the provisions of the Tax Code, as amended, and the regulations issued under authority thereof. Further, we agree to pay the tax due on or before the fifth (5th) day of the following month for legitimate and lawful purposes. (If Authorized Representative, attach your identification card)

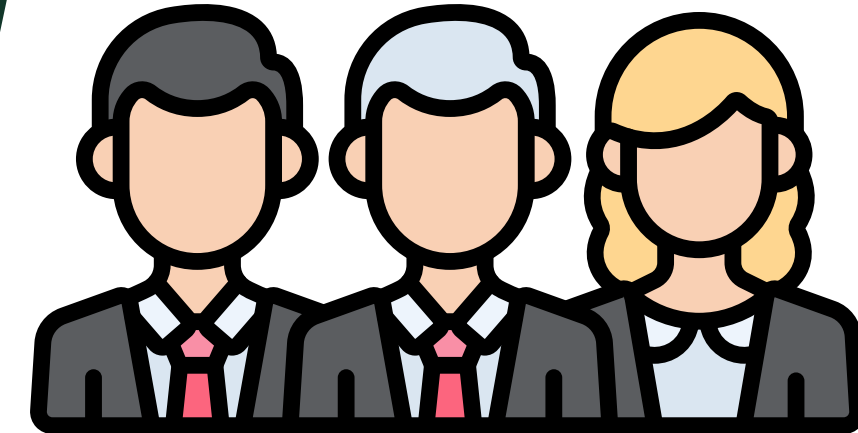
For Individual: Taxpayer's Signature and Stamp (Date)

For Non-Individual: Tax Agent's Signature and Stamp (Date)

Signature over Officer or Representative

Stamp (Date)

BIR



Pay on or Before fifth (5th) day of the following month.



CONSTRUCTIVE AFFIXTURE OF DST
REVENUE REGULATIONS NO. 2 -2023



CONSTRUCTIVE AFFIXTURE OF DST REVENUE REGULATIONS NO. 2 -2023

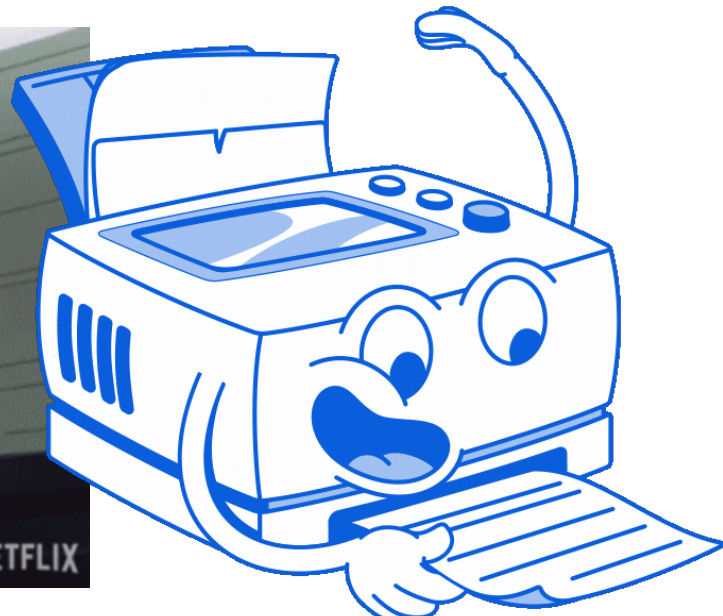


"DOCUMENTARY STAMP TAX PAID"

(GOR SERIAL NUMBER)

(DATE OF PAYMENT)

The government agencies or instrumentalities, in addition to the affixture of government official receipt, shall stamp or print in a clear and readable manner which shall be located conspicuously on the face of the taxable certificate the phrase "**DOCUMENTARY STAMP TAX PAID**", including the serial number, and date of the government official receipt, as illustrated below.



OTHER IMPORTANT ISSUES/UPDATES



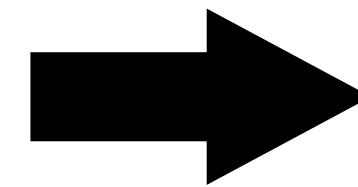
NEWS

UPDATE

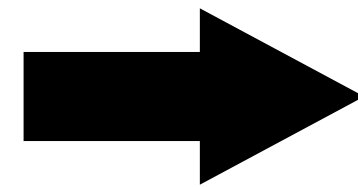


What are the OBLIGATIONs OF AN LGU engaged in proprietary functions?

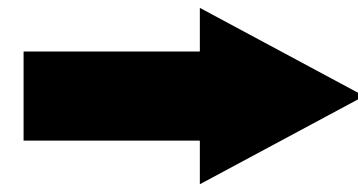
When LGU acts in its proprietary character, it is regarded as having the rights and obligations of a private corporation. Based on Section 30 of the Tax Code, the income of whatever kind and character of corporations from any of their activities conducted for profit regardless of the disposition made of such income, shall be subject to tax imposed under the Tax Code.



INCOME TAX



**WITHHOLDING
TAX**



**VALUE
ADDED TAX**



**CAPITAL
GAINS TAX**

**DOCUMENTARY
STAMP TAX**



**SALE OR ACQUISITION OF REAL
PROPERTY**



eCAR HAS NO EXPIRATION ANYMORE



The Bureau of Internal Revenue (BIR) has removed the five-year validity period of Electronic Certificate Authorizing Registration (eCAR) through Revenue Regulations No. 12-2024, meaning eCARs are now valid until presented to the Registry of Deeds.

Pursuant to Republic Act No. 11032 or the Ease of Doing Business and Efficient Government Service Delivery Act of 2018, the BIR now allows the use of Electronic Signatures (e-signatures) on certain BIR Forms/Certificates including:

1 BIR Form No. 2304

Certificate of Income Payment not Subject to Withholding Tax (Excluding Compensation Income)

2 BIR Form No. 2306

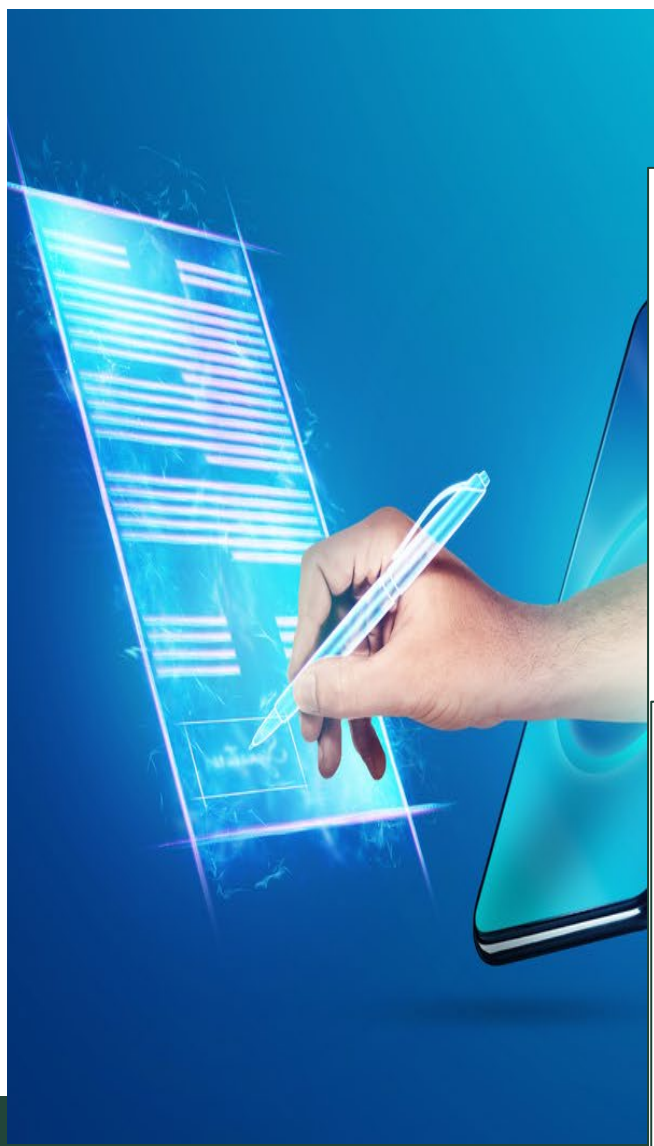
Certificate of Final Tax Withheld at Source

3 BIR Form No. 2307

Certificate of Creditable Tax Withheld at Source

4 BIR Form No. 2316

Certificate of Compensation Payment/Tax Withheld



DLN: BIR Form No. 2306 (Excluding Compensation Income) 1 For the Year (YYYY) 2306 1 For the Period 2307 BIR Form No. 2307 January 2018 (ENCS) Fill in all applicable spaces. Mark all applicable boxes with an "X".

For BIR Use Only BCS/Item: BIR Form No. 2316 January 2018 (ENCS) Republic of the Philippines Department of Finance Bureau of Internal Revenue

Certificate of Compensation Payment/Tax Withheld
For Compensation Payment With or Without Tax Withheld

Fill in all applicable spaces. Mark all appropriate boxes with an "X".

Part I - Employee Information		Part IV-B Details of Compensation Income & Tax Withheld from Present Employer	
1 For the Year (YYYY)	2 For the Period From (MM/DD) To (MM/DD)	A NON-TAXABLE/EXEMPT COMPENSATION INCOME	Amount
3 TIN	5 RDO Code	27 Basic Salary (including the exempt P250,000 & below) or the Statutory Minimum Wage of the MWE	
4 Employee's Name (Last Name, First Name, Middle Name)	6A ZIP Code	28 Holiday Pay (MWE)	
6 Registered Address	6B Local Home Address	29 Overtime Pay (MWE)	
6C ZIP Code	6D Foreign Address	30 Night Shift Differential (MWE)	
7 Date of Birth (MM/DD/YYYY)	8 Contact Number	31 Hazard Pay (MWE)	
9 Statutory Minimum Wage rate per day		32 13th Month Pay and Other Benefits (maximum of P90,000)	
10 Statutory Minimum Wage rate per month		33 De Minimis Benefits	
		34 SSS, GSIS, PHIC & PAG-IBIG Contributions and Union Dues (Employee share only)	

REQUIRE FOR CERTAIN TAX FORMS

ESTATE TAX

AMNESTY





ESTATE TAX AMNESTY EXTENDED AND EXPANDED UNDER REPUBLIC ACT (RA) NO. 11956

	BEFORE (Per RA No. 11213, as amended)	NOW (Per RA No. 11956)
COVERAGE	DEATHS ON OR BEFORE DECEMBER 31, 2017	DEATHS ON OR BEFORE <u>MAY 31, 2022</u>
DEADLINE	JUNE 14, 2021 (extended to June 14, 2023)	<u>JUNE 14, 2025</u>
TAX RATE	6% of the total net taxable estate at the time of death	6% of the total net taxable estate at the time of death

For more information, please refer to **Revenue Regulations (RR) No. 10-2023**
posted on the BIR Website (www.bir.gov.ph).

“Now is the perfect opportunity for heirs and beneficiaries to prepare for their payment, which should be made on or before the extended deadline, while they are already budgeting for their expenses in the first half of the year,” said Gatchalian, chairperson of the Senate Committee on Ways and means .

Taxpayers who fully comply with the requirements of the amended estate tax amnesty are granted immunity from paying all estate taxes, including any increments and additions, as well as from civil, criminal, and administrative cases, and penalties due to failure of payment of estate taxes for the period ending May 31, 2022 , and the previous years .



Mayroon ka bang **minanang ari-arian** na hindi mailipat sa pangalan mo o maibenta dahil sa **hindi mabayarang buwis**?

Ngayon na ang tamang panahon para maayos ito sa pamamagitan ng

Estate Tax Amnesty

(per Republic Act No. 11213 or Tax Amnesty Act)



Extended until
JUNE 14, 2023

(Per RA No. 11569, as implemented by
Revenue Regulations No. 17-2021)

BENEFISYO:

6% TAX LANG ANG BABAYARAN

**WALANG BABAYARANG
BACK TAXES AT PENALTIES**

ABSUWELTO PA SA DEMANDA



SAMA-SAMA SA HAMON NG PANAHO:
BUWIS KO, PARA SA PILIPINO



**Buwis na Tapat,
Tagumpay Nating Lahat**

**THANK
YOU!**