



Updates on 2019 BIR Rules and Regulations

Presented by

Dr. Marina C. De Guzman

Regional Director

Revenue Region No. 6 – Manila

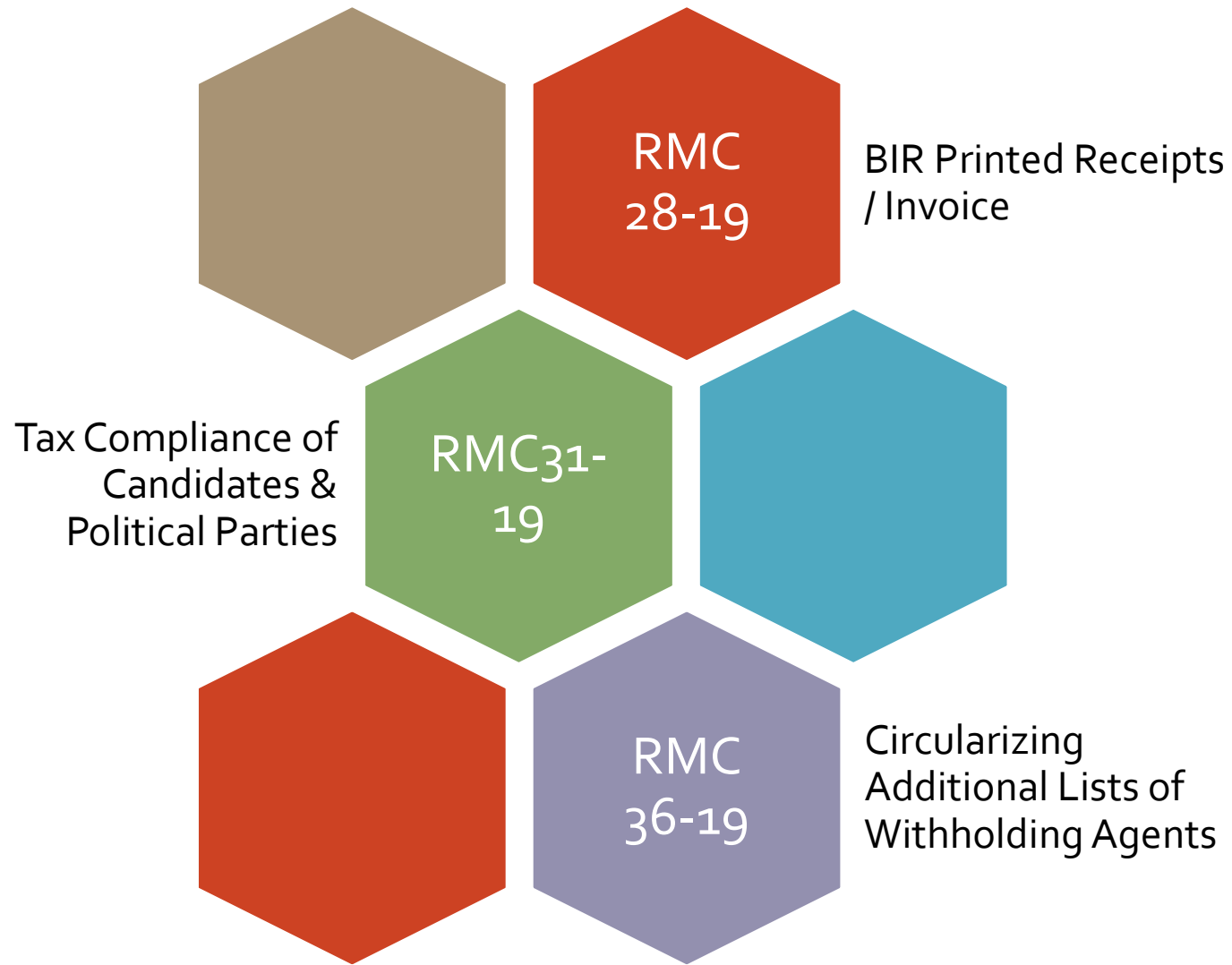


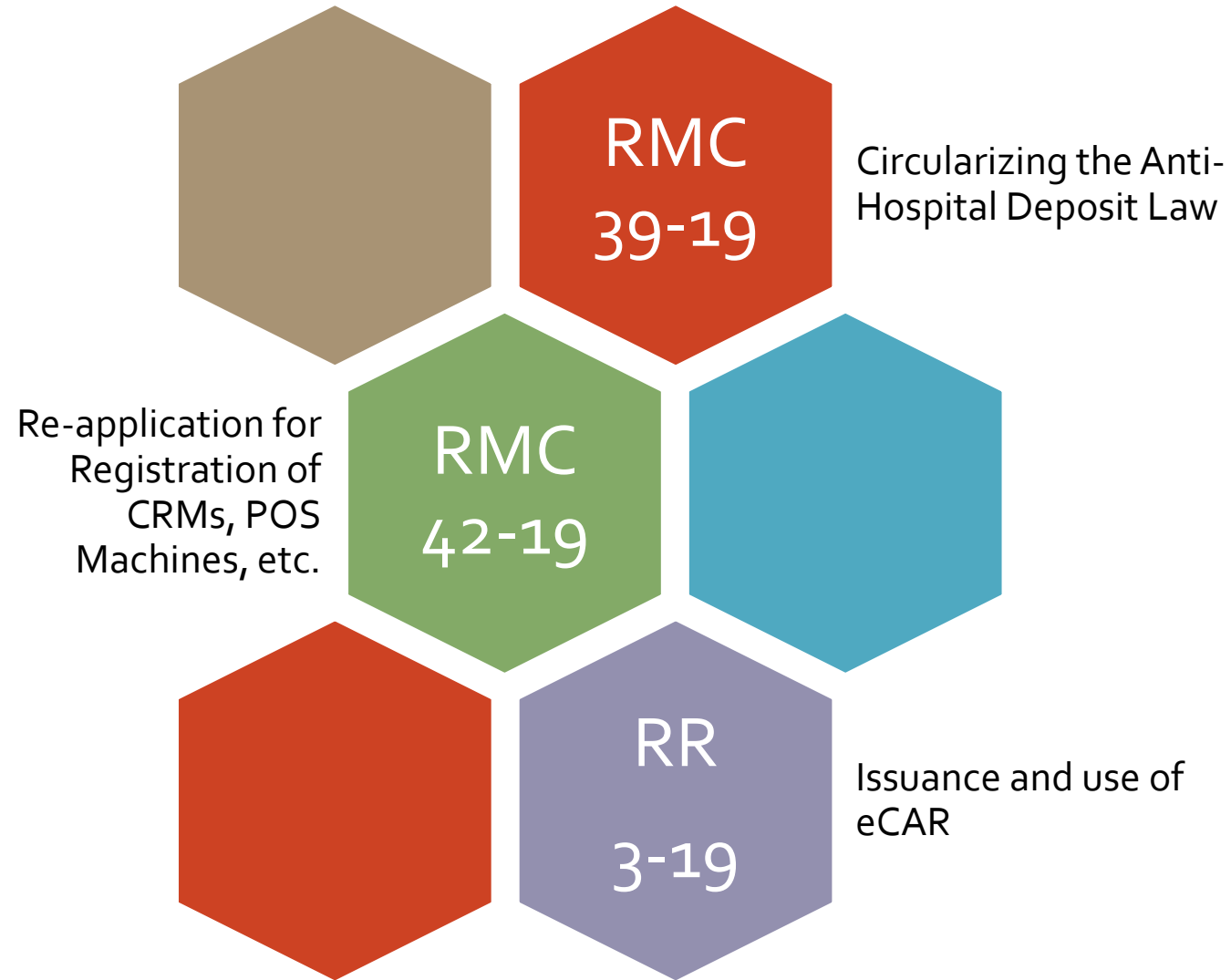
2nd PAGBA Quarterly Seminar and Meeting

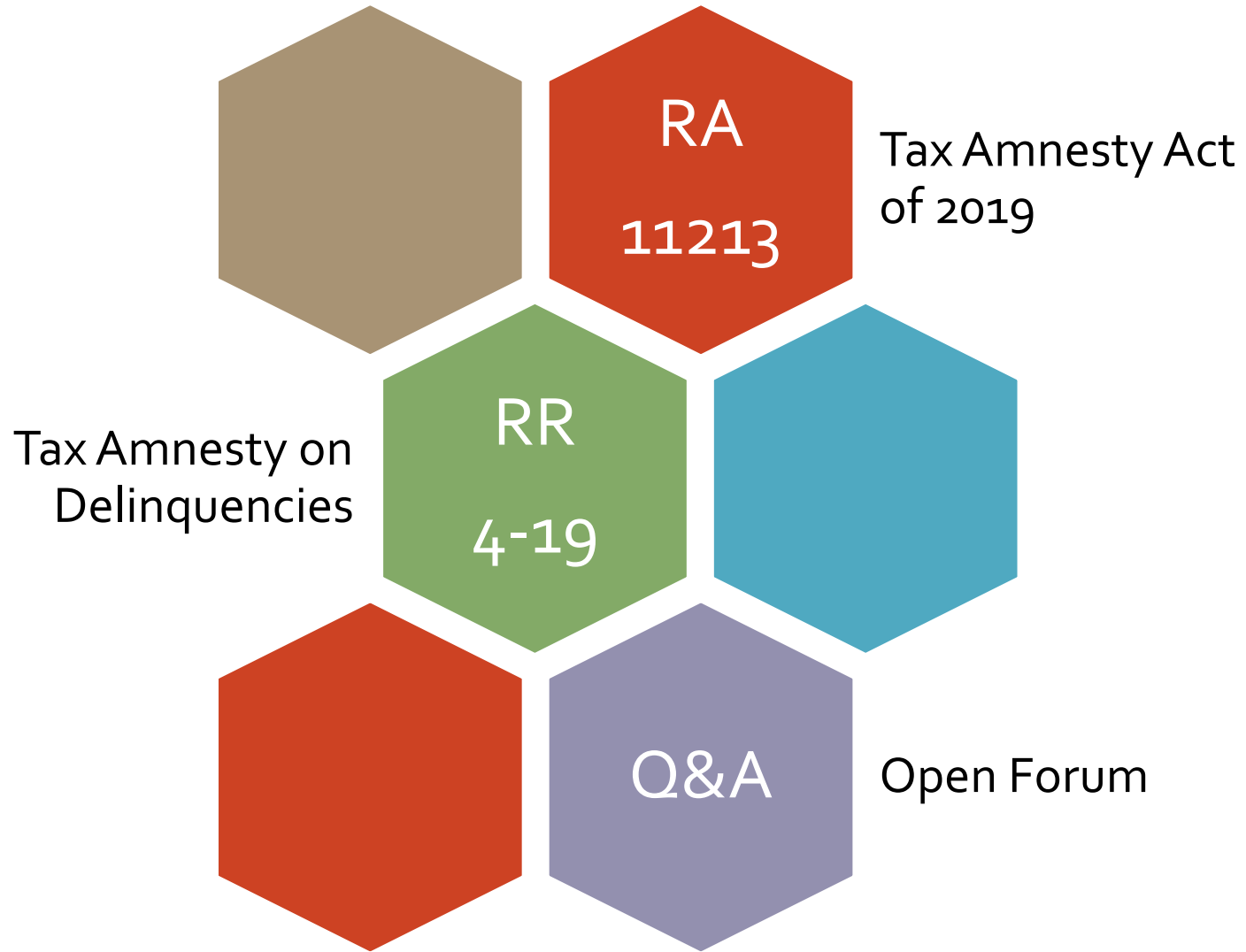
Theme:

**“Public Financial Management
in a Difficult and
Changing Environment.”**

*May 1, 2019
Crowne Legacy Hotel
Baguio City*







Revenue Memorandum Circular No. 28-19)

(February 22, 2019)



Revenue Memorandum Circular No. 28-19.

Subject:

- Prescribing the Use of Bureau of Internal Revenue Printed Receipt / Invoice.

Revenue Memorandum Circular No. 28-19.

- This Circular is being issued to prescribe the use of the Bureau of Internal Revenue Printed Receipt/Invoice (BPR/BPI) as one of the reforms in starting a business. This will allow new business taxpayers to immediately start its business operations while waiting for the printing or delivery of its receipts/invoices by the BLR-accredited printers.

Revenue Memorandum Circular No. 28-19.

Issuance of Receipts or Sales Invoices.

All persons subject to an internal revenue tax shall at the point of each sale and transfer of merchandise or for services rendered valued at One hundred pesos (P100), issue duly registered receipts or sale or commercial invoices. (Sec. 23 of the NIRC)

Revenue Memorandum Circular No. 28-19.

New business registrants are required to secure Authority to Print (ATP) principal receipts/invoices upon registration with the BIR.

- They, shall be allowed to use said BPR/BPI for a period of fifteen (15) days from the date of registration.
- However, new business registrants may opt not to avail of the BPR/BPI and make use of their own receipts/invoices covered by the ATP issued during registration.

Revenue Memorandum Circular No. 28-19.

- The BPR/BPI shall be issued as principal evidence in the sale of goods and/or properties and/or services or lease of properties.
- It can be used as a supporting document in claiming expenses as deduction from ordinary gross income or claim as input tax credit.
- Only the BIR is allowed to print and issue the BPR/BPI.

Revenue Memorandum Circular No. 31-19 *(March 7, 2019)*



Revenue Memorandum Circular No. 31-19.

Subject:

- Reiteration of the Tax Compliance Requirements of Candidates, Political Parties/Party List Groups and Campaign Contributors.

The summary of tax compliance requirements.

1. BIR REGISTRATION:

All candidates, political parties/party list groups and campaign contributors have the duty to register or update their registration with the RDO having jurisdiction over the residence address, or head/principal office of registering candidates, political parties/party list groups and campaign contributors following the guidelines and procedures enumerated in RMC No. 38-2018.

(Individual candidates shall be registered as “Professional” in order to be issued an Authority to Print Receipts/Invoices.)

The summary of tax compliance requirements.

2. Annual Registration Fee and Certificate of Registration:

All candidates and political parties/party list groups shall pay an Annual Registration Fee (ARF) in the amount of five hundred pesos (P500).

Certificate of Registration (COR) is no longer required to be issued for individual candidates who are not engaged in business.

The summary of tax compliance requirements.

3. Registration of Books :

All political parties/party list groups shall register and keep adequate books and other accounting records such as Cash Receipts Journal (basis for Statement of Contributions for submission to COMELEC), Cash Disbursements Book (basis for Statement of Expenditures for submission to COMELEC) or their equivalent.

Individual candidates may opt to use a simplified set of bookkeeping records, as long as it can provide accurate information.

The summary of tax compliance requirements.

4. Invoicing Requirement :

All candidates and political parties/party list groups shall also register Non-VAT Official Receipts (ORs) to be issued for every contribution received, whether in cash or in kind valued at Fair Market Value.

The summary of tax compliance requirements.

5. Preservation of Accounting Records :

All political parties/party list groups and candidates shall be responsible for the preservation of records of contributions and expenditures, together with all pertinent documents, for a period of three (3) years from the close of the taxable year during which the election was held.

The summary of tax compliance requirements.

6. Tax Treatment of Campaign Expenditures :

Income payments made by political candidates and political parties/party-list groups on their purchases of goods and services as campaign expenditures, and income payments made by individuals or juridical persons for their purchases of goods and services intended to be given as campaign contribution to political parties and candidates shall be subject to **five percent (5%) creditable withholding tax.** BIR Form No. 2307 (Certificate of Creditable Tax Withheld at Source) shall be issued to the payee.

The summary of tax compliance requirements.

6. Tax Treatment of Campaign Expenditures :

All political parties/party list groups and candidates shall:

1. Remit the five percent (5%) Creditable Withholding Tax (CWT) for the first two months of the quarter on or before the 10th day of the following month in which withholding was made using BIR Form No. 0619-E.
2. File and pay the quarterly withholding tax return not later than the last day of the month following the close of the quarter during which the withholding was made, using BIR Form No. 1601-EQ together with the submission of the Quarterly Alphalist of Payees (QAP) through the eSubmission facility of the BIR.

The summary of tax compliance requirements.

6. Tax Treatment of Campaign Expenditures :

3. File the Annual Information Return of Creditable Taxes Withheld (Expanded)/Income Payments Exempt from Withholding Tax (BIR Form No. 1604-E) as well as the Statement of Contributions and Expenditures duly stamped “Received” by the COMELEC on or before March 1 following the year of election.

Expenses that were not subjected to the 5% CWT are not considered utilized campaign funds, and the candidates, political parties/ party-list groups are precluded from claiming such expenditures as deductions from his/ her/ its campaign contributions. As such, the full amount corresponding to said expense shall be reported as unutilized campaign funds subject to income tax.

The summary of tax compliance requirements.

7. Tax Treatment of Campaign Contribution :

- Only those donations/contributions that have been utilized/spent during the campaign period as set by the COMELEC are exempt from donor's tax.
- Donations utilized before or after the campaign period are subject to donor's tax and not deductible as political contribution on the part of the donor.

The summary of tax compliance requirements.

8. Income Tax :

- **Unutilized/excess campaign funds**, net of the candidate's or political party's/party list's campaign expenditures, **shall be considered as subject to income tax** and as such, must be included in their/his taxable income as stated in their/his Income Tax Return (ITR). No further deduction, either itemized or optional, shall be made against the said taxable income.
- Further, any candidate or political party/party list group, whether winner or loser, **who fails to file with COMELEC the Statement of Contributions and Expenditures** required under Omnibus Election Code shall be automatically precluded from claiming such expenditures as deductions from the campaign contributions making **the entire amount directly subject to income tax.**

The summary of tax compliance requirements.

9. Post Election :

Every candidate and Treasurer of the political parties/party list groups shall submit the Statement of Contributions and Expenditures to COMELEC and RDO where the candidates/political parties/party list groups are registered within thirty (30) days after the election.

The summary of tax compliance requirements.

The registration of individuals in their capacity as candidates shall **automatically end ten (10) days** after the deadline of filing the Quarterly Remittance Return of Creditable Income Taxes Withheld (BIR Form No. 1601EQ)

Revenue Memorandum Circular No. 36-19

(March 4, 2019)



Revenue Memorandum Circular No. 36-19.

Subject:

- Circularizing Additional Lists of Withholding Agents Required to Deduct and Remit the 1% or 2% Creditable Withholding Tax for the Purchase of Goods and Services under RR No. 11-2018.

REVENUE MEMORANDUM CIRCULAR NO. 36-2019

SUBJECT : Circularizing the Additional Lists of Withholding Agents Required to Deduct and Remit the 1% or 2% Creditable Withholding Tax for the Purchase of Goods and Services under Revenue Regulations No. 11-2018.

TO : All Revenue Officials, Employees and Other Concerned

In connection with the lists of withholding agents that were published last October 8, 2018 and circularized under Revenue Memorandum Circular No. 86-2018, this Circular is hereby issued to circularize the additional withholding agents under the jurisdiction of Revenue Regions who are required to deduct either the one percent (1%) or two percent (2%) creditable withholding tax from the income payments to their suppliers of goods and services, pursuant to the provisions of Revenue Regulations (RR) No. 11-2018, as well as the list of withholding agents for deletion from the existing list who are no longer required to deduct the said creditable withholding taxes. Please visit the BIR's website at www.bir.gov.ph where the lists are posted and provided with search facility for the convenience of all concerned.

Accordingly, the obligation to deduct and remit to this Bureau the one percent (1%) and two percent (2%) creditable withholding tax from the suppliers of goods and services shall continue, commence or cease, as the case may be, effective **April 1, 2019**. Any taxpayer that cannot be found in any of the published lists of inclusions is deemed to have been excluded and therefore not required to deduct and remit the 1% or 2% creditable withholding tax under RR No. 11-2018.

All revenue officers and employees are hereby enjoined to give this Circular as wide a publicity as possible.


CAESAR R. DULAY

Commissioner of Internal Revenue

Revenue Memorandum Circular No. 39-19)

(March 18, 2019)



Revenue Memorandum Circular No. 39-19.

Subject:

- Circularizing the Implementing Rules and Regulation of Republic Act 10932, “An Act Strengthening the Anti-Hospital Deposit Law by Increasing the Penalties for the Refusal of Hospitals and Medical Clinics to Administer Appropriate Initial Medical Treatment and Support in Emergency or Serious Cases, Amending for the Purpose Batas Pambansa Bilang 702, Otherwise Known as “An Act Prohibiting the Demand of Deposits or Advance Payments for the Confinement or Treatment of Patients in Hospitals and Medical Clinics in Certain Cases” As Amended By Republic Act No. 8344, And For Other Purposes” under Administrative Order No. 2018-0012 of the Department of Health (DOH).

DOH Administrative Order No. 2018-2012.

Section 1:

- In emergency or serious cases, it shall be unlawful for any proprietor, president, director, manager or any other officer, and/or medical practitioner or employee of a hospital or medical clinic to request, solicit, demand or accept any deposit or any other form of advance payment as a prerequisite for administering basic emergency care to any patient, confinement or medical treatment of a patient in such hospital or medical clinic or to refuse to administer medical treatment and support as dictated by good practice of medicine to prevent death, or permanent disability, or in the case of a pregnant woman, permanent injury or loss of her unborn child, or noninstitutional delivery:

DOH Administrative Order No. 2018-2012.

Section 1:

- Provided, That by reason of inadequacy of the medical capabilities of the hospital or medical clinic, the attending physician may transfer the patient to a facility where the appropriate care can be given, after the patient or his next of kin consents to said transfer and after the receiving hospital or medical clinic agrees to the transfer:

DOH Administrative Order No. 2018-2012.

Section 1 :

- Provided, however, That when the patient is unconscious, incapable of giving consent and/or unaccompanied, the physician can transfer the patient even without his consent:
- Provided, further, That such transfer shall be done only after necessary emergency treatment and support have been administered to stabilize the patient and after it has been established that such transfer entails less risks than the patient's continued confinement:

DOH Administrative Order No. 2018-2012.

Section 1:

- Provided, furthermore, That no hospital or clinic, after being informed of the medical indications for such transfer, shall refuse to receive the patient nor demand from the patient or his next of kin any deposit or advance payment: Provided, finally, That strict compliance with the foregoing procedure on transfer shall not be construed as a refusal made punishable by this Act.”

DOH Administrative Order No. 2018-2012.

Section 2 – Definition of Terms:

Hospital

A facility devoted primarily to the diagnosis, treatment and care of individuals suffering from illness, disease, injury or deformity or in need of obstetrical or other medical and nursing care. It shall also be construed as any institution, building or place where there are facilities and personnel for the continued and prolonged care of patients. The hospital shall be duly licensed by the Health Facilities and Services Regulatory Bureau (HFSRB) of the DOH.

DOH Administrative Order No. 2018-2012.

Section 2 – Definition of Terms:

Medical Clinic

A place in which patients can avail of medical consultation or treatment on an outpatient basis such as but not limited to non-institution based Ambulatory Surgical Clinic (ASC) and non-institution based Hemodialysis Clinics (HDC).

DOH Administrative Order No. 2018-2012.

Section 2 – Definition of Terms:

Basic Emergency Care

the response to a situation where there is urgently required medical care and attention, and shall include procedures required for initial diagnosis, use of equipment and supplies insufficiently addressing the emergency situation, considering the welfare of the patient. It also includes the necessary medical procedures and treatment administered to a woman in active labor to ensure the safe delivery of the new born.

DOH Administrative Order No. 2018-2012.

Section 2 – Definition of Terms:

Poor or indigent

refers to those whose income falls below the poverty threshold and who cannot afford in a sustained manner to provide for their food and non-food needs, and/or officially identified by the Department of Social and Welfare Development (DSWD) through the National Household Targeting System for Poverty Reduction (NHTS-PR).

Section 2 – Definition of Terms:

Marginalized

refers to those groups in society who, for reasons of poverty, geographical inaccessibility, culture, language, religion, age, gender, migrant status or other disadvantage, have not benefitted from health, education, employment and other opportunities, and who are relegated to the side lines of political persuasion, social negotiation and economic bargaining.

DOH Administrative Order No. 2018-2012.

Section 7 - Reimbursement of Basic Emergency Care:

- PhilHealth shall reimburse the cost of basic emergency care and transportation services incurred by the hospital or medical clinic for the emergency medical services given to poor and indigent patients adopting the resuscitation (emergency) and referral (transportation) package of PhilHealth
- The PhilHealth membership is already a guarantee for treatment even without deposit.

DOH Administrative Order No. 2018-2012.

Section 7 - Reimbursement of Basic Emergency Care

- The classification of patients as to financial status for enrolment under Point of Service shall be certified by a duly licensed medical social worker of a government institution trained in DOH means tests. Whenever the patient has been provided care in a private institution, the patient shall be enrolled through the PhilHealth in the Point of Service Program in coordination with a government facility.

DOH Administrative Order No. 2018-2012.

Section 7 - Reimbursement of Basic Emergency Care:

- The PCSO shall provide medical assistance for the basic emergency care needs of the poor and marginalized groups. All patients managed for emergency cases and continuously admitted in the hospital shall be eligible for assistance from PCSO for the emergency care expenses

DOH Administrative Order No. 2018-2012.

Section 8 - Tax Deductions:

- Basic emergency care to poor and indigent patients provided by the hospital or medical clinic not reimbursed by PhilHealth and PCSO **shall be deductible from gross sales/receipts.**
- The documentary requirements and details of mechanics on availment of the deduction shall be covered by a Revenue Regulation to be issued by the Bureau of Internal Revenue.

Revenue Memorandum Circular No. 42-19)

(March 20, 2019)



Revenue Memorandum Circular No. 42-19.

Subject:

- Prescribing the Mandatory Re-Application for Registration of Cash Register Machines (CRMs), Point-of-Sale (POS) Machines, Special Purpose Machines (SPMs), and Other Sales Machines or Software with Permits to Use (PTUs) Issued for the Month of January 2019

Revenue Memorandum Circular No. 42-19.

- Concerned accredited suppliers, pseudo-suppliers and/or taxpayer users shall re-submit their applications for registration of the CRMs, POS machines, SPMs, and other sales machines through the eAccReg System and shall be subject to the following conditions:

Revenue Memorandum Circular No. 42-19.

CONDITIONS:

1. This Circular shall cover all applications filed from January 3 to 31, 2019, including those with issued Permits to Use (PTUs) Sales Machines and/or Special Purpose Machines within the same period, whether manually following the workaround procedures during system downtime or electronically via eAccReg System.

Similarly, those concerned taxpayers with PTUs issued prior to the implementation of this Circular that reflected an effective date between January 3 to 31, 2019 must comply with the provisions set forth herein;

Revenue Memorandum Circular No. 42-19.

CONDITIONS:

2. Re-submission of applications via eAccReg System shall be done on or before **May 31, 2019.** (RMC No. 48-19). Failure to comply with the aforesaid re-application shall be tantamount to nonregistration of the CRMs, POS machines, SPMs, and other sales machines concerned subject to the imposition of penalties based on existing revenue issuances;

Revenue Memorandum Circular No. 42-19.

CONDITIONS:

3. Once the new PTU is obtained successfully by the accredited supplier, pseudo-supplier and/or taxpayer-user concerned via eAccReg System, necessary modifications and/or reconfiguration shall be done on machine /software to reflect the new PTU No. and Machine identification No. (MIN), including its validity date on the receipts/invoices generated from the CRMs , POS machines, SPMs, and other sales machines; and

Revenue Memorandum Circular No. 42-19.

CONDITIONS:

4. All CRMs, POS machines, SPMs, and other sales machines, covered in item 1 hereof shall not be reset nor adjusted to zero. The Accumulated Grand total sales, Last Official Receipt /Sales invoice No. issued and Date of Reading recorded on the said machines as reflected in the Z-reading Report as of the day immediately preceding the re-application date shall be declared/reported during the application of PTU;

Revenue Memorandum Circular No. 42-19.

CONDITIONS:

5. The previously issued permit, whether manually or electronically, shall be surrendered within fifteen (15) days from receipt/printing of the new PTU to the Revenue District Office (RDO) having jurisdiction over the taxpayer-user's place of business; and

Revenue Memorandum Circular No. 42-19.

CONDITIONS:

6. The mandatory submission of the Sales Reports through the eSales System every 8th or 10th of the month, whichever is applicable, shall be complied with using the new MIN as provided on the new PTU generated. Otherwise, non-submission of the aforesaid sales report shall be subject to the existing penalty for this violation and will be a ground to be prioritized by the Bureau for post-evaluation of CRMs, POS machines, SPMs, and other sales machines based on existing revenue issuances.

Revenue Memorandum Circular No. 42-19.

NOTE - RMC 49-19

- devolves the accreditation of all CRM, POS machines, Sales Receipting Software and other sales machines generating receipts/invoices from the National Office (NO) Revenue Regions (RRs) and Revenue District Offices (RDOs).
- Accreditation Board (AB) shall be created in the LTS and RR's who shall approve, disapprove, and/or revoke the Certificate of Accreditation for sales machines/software

Revenue Regulations No. 3-19

(March 28, 2019)



Revenue Regulations No. 03-19.

Subject:

- Prescribing the Use of the Electronic Certificate Authorizing Registration System Relative to Transactions Involving Registration and Transfer of Real and Personal Properties Pursuant to Section 5(B) of the National Internal Revenue Code (NIRC) of 1997, as amended, and in Relation to Sections 58(E), 95 and 97 of the Same Code.

Revenue Regulations No. 03-19.

Background:

- The BIR has developed the Electronic Certificate Authorizing Registration System otherwise known as the eCAR System.
- The system is equipped with barcode verification in order to eliminate errors using manual procedures by the three (3) government agencies, namely the BIR, the Land Registration Authority (LRA) and the Provincial, City and Municipal Assessor's Offices under the Local Government Units (LGUs) across the country.

Revenue Regulations No. 03-19.

Background:

- The Provincial, City and Municipal Assessor's Offices of all LGUs, banks, and other issuers of Stock Certificates, Bonds and other similar Paper Securities are mandated to accept only the eCAR printed and issued by the BIR from the said System before any transfer of ownership is changed to the new owner.

Revenue Regulations No. 03-19.

eCAR System

- This replaces the manually prepared CAR. The eCAR system generates the eCAR with barcode which shall be printed on an accountable security paper.

The eCAR shall have:

1. A system generated Barcode Reference Number (BRN) printed below the barcode which may be encoded in case the latter is unreadable by the scanner used at the Register of Deeds (RD).
2. A system-generated information, such as eCAR number, date of eCAR issuance, amount paid, date of payment and signature of the authorized signatory of eCAR shall be indicated or stamped on the reverse side of each page of the original copies of the transfer document, e.g., Deed of Sale, Deed of Exchange, Deed of Assignment, Deed of Donation, Deed of Extrajudicial Settlement of Estate, etc.

Revenue Regulations No. 03-19.

ISSUANCE OF eCAR

- There shall be issued one (1) eCAR per title in case of registered land and/or improvement(s) and one (1) eCAR for each tax declaration in case of unregistered land and / or improvement(s). A separate eCAR shall be issued for all personal properties.

Revenue Regulations No. 03-19.

VALIDITY OF eCAR

- The eCAR shall have a validity period of five (5) years reckoned from date of issuance for purposes of presenting the same to the RD. Otherwise, the eCAR shall be deemed permanently expired and therefore of no force and effect. A new eCAR may thus be generated and issued upon request of the taxpayer for the reissuance of a new eCAR to replace the expired eCAR.

Revenue Regulations No. 03-19.

REVALIDATION OF eCAR

- All manually-issued CARs that are either due for revalidation or has not been presented to the RD within the validity period and manually issued CARs with partial transfer of properties as prescribed in existing BIR issuances are considered expired manual CARs already and, as such, shall no longer be valid for presentation to the RD. The said CARs shall be replaced with an eCAR by the concerned Revenue District Officer (RDO) or LT Division who issued the CAR upon presentation of the expired manual CAR.

Revenue Regulations No. 03-19.

REGISTRATION OF NEW OWNERSHIP OF REAL PROPERTIES:

A. Register of Deeds

No registration of any deed or instrument resulting in the transfer of ownership of real property shall be allowed by the RD unless the CIR or his duly authorized representative has issued the corresponding eCAR, that has been properly verified under the LRA-BIR eCAR Verification System. Accordingly, the RD shall inscribe on the newly issued TCT the following information:

- 1, eCAR Number;
2. Date of Issuance of eCAR;
3. RDO Number; and
4. Amount and Date of payment per tax type.

Revenue Regulations No. 03-19.

REGISTRATION OF NEW OWNERSHIP OF REAL PROPERTIES:

A. Register of Deeds

- An eCAR duly issued by the BIR and retrieved by the RD from the LRA-BIR eCAR database, whether for taxable or tax-exempt transactions, shall be the basis for the RD to effect the transfer.
- Any eCARs not in the database are deemed spurious and not issued by the Bureau, hence, transfer of this property should not be effected.

Revenue Regulations No. 03-19.

REGISTRATION OF NEW OWNERSHIP OF REAL PROPERTIES:

A. Register of Deeds

For transaction involving estate or donor's tax on which the eCARs are issued by the RDO having jurisdiction over the place where the donor is domiciled at the time of donation or where the decedent is domiciled at the time of his death, the RDs who have jurisdiction over the property shall no longer require the eCAR to be authenticated or countersigned by the issuing district office. The provision herein shall also apply to non-residents decedents / donors whose eCARs are issued by RDO No. 39 – South QC.

Revenue Regulations No. 03-19.

REGISTRATION OF NEW OWNERSHIP OF REAL PROPERTIES:

B. Registration with Provincial, City or Municipal Assessors

No deed, conveyance, mortgage, lease or other voluntary, instruments affecting unregistered land shall be valid except as between the parties thereto, unless such instrument shall have been registered in the book of Unregistered Property of the RD pursuant to Act No. 3344. Thus, no tax declaration shall be issued in the name of the new owner by the Provincial, City, Municipal Assessor's Office concerned unless proof is presented thereby that the said instrument had already been registered with the RD.

Revenue Regulations No. 03-19.

REGISTRATION OF NEW OWNERSHIP OF REAL PROPERTIES:

B. Registration with Provincial, City or Municipal Assessors

For both manual and automated processing of Tax Declaration, for titled and untitled real properties, pursuant to Office of the President's Administrative Order No. 186 dated July 31, 2007, it shall be the duty of Provincial, City or Municipal Assessors to indicate at the back/reverse side of the newly issued Tax Declaration the information contained in the eCAR:

- eCAR Number;
- Date of Issuance of eCAR;
- Amount and Date of payment per tax type; and
- Revenue District Office No.

The TIN of the transferee shall, however, be indicated on the face of the newly issued Tax Declaration.



Briefing on RA 11213, Tax Amnesty Act of 2019



Tax Amnesty 2019

NOVEMBER 10 – February 2019

PAGBA 2019 2nd Quarterly Seminar
May 1-4, 2019 Crown legacy Hotel, Baguio City

Tax Amnesty Law

1. Republic Act No. 11213 (with Veto Message)
 - **Signed February 14, 2019**
2. Published in the Official Gazette
 - **February 18, 2019**
3. Effectivity (15 days after publication)
 - **March 5, 2019**
4. Rules and Regulations (within 90 days from effectivity)
 - Due on or before **June 3, 2019**



Vetoed Items

1. Entire Section of General Tax Amnesty (GTA) under Title III and all related provisions



Rationale: A general tax amnesty without lifting bank secrecy law, imposing legal framework in compliance with international standards on exchange of information, and penalties vs. untruthful declaration of asset or net worth is overgenerous and would proliferate tax evasion. Veto message cites 2006 tax amnesty that did not have safeguards resulting to substantial revenue losses. President recommends passing a general tax amnesty bill that includes safeguards to meet both tax admin and revenue purposes

Vetoed Items

2. Provision allowing one-time declaration and settlement of estate taxes on properties subject of multiple unsettled estates (Sen. Recto's amendment)



Rationale: To implement one-time settlement across multiple estates would erode the expected revenue of government from estate tax amnesty. The flat rate of 6% estate amnesty tax without penalties imposed at every stage is more than a fair imposition on the privilege.

Vetoed Items



3. Provision raising presumption of correctness of the estate tax amnesty returns

Rationale: An erroneous valuation would affect both revenue and subsequent transfers. There must be an opportunity to evaluate truthfulness of declarations made by the taxpayers, otherwise implementing agencies would be “stamping pads of approval

Vetoed Items

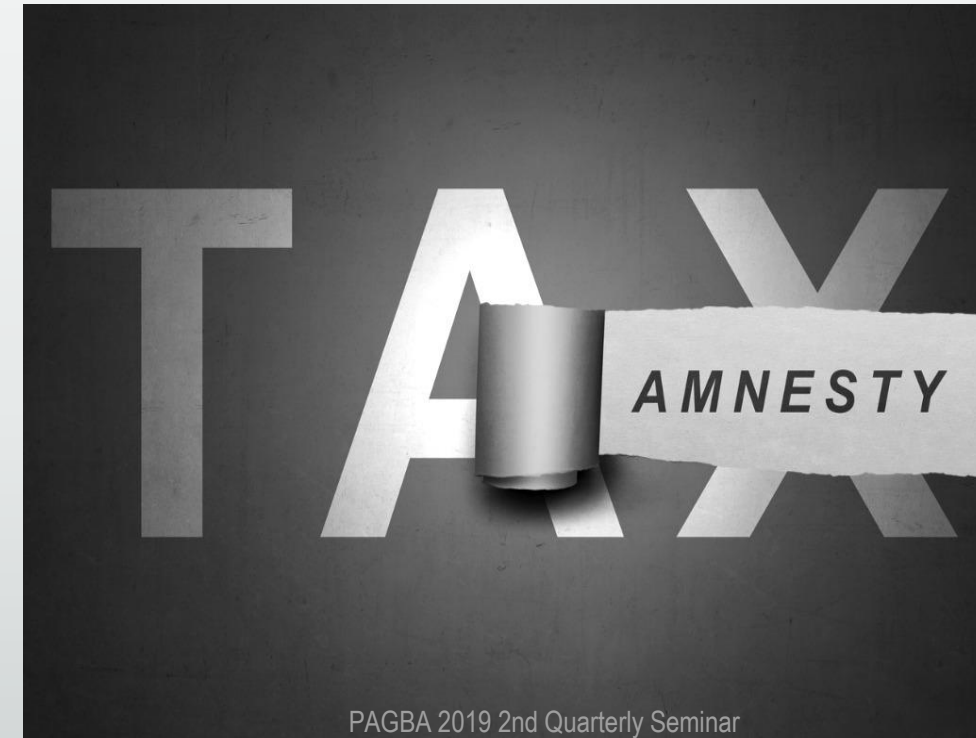


3. Provision raising presumption of correctness of the estate tax amnesty returns

Rationale: An erroneous valuation would affect both revenue and subsequent transfers. There must be an opportunity to evaluate truthfulness of declarations made by the taxpayers, otherwise implementing agencies would be “stamping pads of approval

In effect, the Tax amnesty is left with the following features:

1. Amnesty on Estate Tax
2. Amnesty on Tax Delinquencies
3. Confidentiality of Tax Amnesty Returns and SALN
4. Penalties on exchange and unlawful divulgence of information
5. Creation of Information Management System
6. Creation of Congressional Oversight Committee



Amnesty on Estate Tax



Tax Amnesty 2019

VER 1.0 – February 2019

Amnesty on Estate Tax

1. Coverage:
 - Estate of decedents who died on or before Dec 31, 2017
 - With or without assessment
 - Whose estate taxes have remained unpaid or have accrued as of December 31, 2017
 - If an estate tax return was previously filed, the estate tax amnesty will be based on the net undeclared asset



Amnesty on Estate Tax

2. Amnesty Rate
 - 6% of net estate at the time of death
3. Minimum Amnesty Tax
 - Php5,000
4. Filer
 - Executor or Administrator, or
 - Heirs, Transferee or Beneficiaries
5. Availment Period
 - Two (2) years from effectivity of the rules and regulations



Amnesty on Estate Tax

6. Relevant Forms / Documents
 - Estate Tax Amnesty Return
 - Acceptance Payment Form
 - Certificate of Availment of Estate Tax Amnesty
 - Proof of settlement of estate (Judicial or Extrajudicial)



Amnesty on Estate Tax:

IMMUNITIES

1. Immune from the payment of all estate taxes
2. Immune from any increments and additions thereof, arising from the failure to pay any and all estate taxes for taxable year 2017 and prior years, and
3. Immune from all appurtenant civil, criminal, and administrative cases and penalties under the National Internal Revenue Code of 1997, as amended.

Upon full compliance with all the conditions and payment of the corresponding estate amnesty tax, the tax amnesty shall become final and irrevocable.

Amnesty on Estate Tax:

EXCEPTIONS

- Shall not extend to estate tax cases which shall have become final and executory, and
- Shall not extend to properties involved in cases pending in appropriate courts:
 - a. Falling under the jurisdiction of the Presidential Commission on Good Government;
 - b. Involving unexplained or unlawfully acquired wealth under Republic Act No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act, and Republic Act No. 7080 or An Act Defining and Penalizing the Crime of Plunder;

Amnesty on Estate Tax:

EXCEPTIONS

- Shall not extend to properties involved in cases pending in appropriate courts:
 - c. Involving violations of Republic Act No. 9160, otherwise known as the Anti-Money Laundering Act, as amended;
 - d. Involving tax evasion and other criminal offenses under Chapter II of Title X of the National Internal Revenue Code of 1997, as amended; and
 - e. Involving felonies of frauds, illegal exactions and transactions, and malversation of public funds and property under Chapter III and IV of Title VII of the Revised Penal Code.

General Tax
Amnesty :
VETOED
and
DELETED



Amnesty on Tax Delinquencies



Tax Amnesty 2019

VER 1.0 – February 2019

Amnesty on Tax Delinquencies

a) Delinquencies and assessments, which have become final and executory, including delinquent tax account, where the application for compromise has been requested on the basis of: (1) doubtful validity of the assessment; or (2) financial incapacity of the taxpayer, but the same was denied by the Regional Evaluation Board or the National Evaluation Board, as the case may be, on or before the Implementing Rules and Regulations take effect;

Tax Amnesty Rate: 40% of the basic tax assessed

a) Pending criminal cases with the Department of Justice or the courts for tax evasion and other criminal offenses under Chapter II of Title X and Section 275 of the National Internal Revenue Code of 1997, as amended, with or without assessments duly issued;

Tax Amnesty Rate: 60% of the basic tax assessed

Amnesty on Tax Delinquencies

c) Tax cases subject of final and executory judgment by the courts on or before the Implementing Rules and Regulations take effect; and

Tax Amnesty Rate: 50% of basic tax assessed

d) Withholding tax agents who withheld taxes but failed to remit the same to the Bureau of Internal Revenue.

Tax Amnesty Rate: 100% of basic tax assessed

Amnesty on Tax Delinquencies

1. Availment Period
 - Within 1 year from effectivity of rules and regulations
2. Relevant Forms
 - Tax Amnesty on Delinquencies Return
 - Certificate of Delinquency
 - Acceptance Payment Form
 - Certificate of Availment



Amnesty on Tax Delinquencies: IMMUNITIES

1. Delinquencies are considered settled and the criminal case and its corresponding civil or administrative case, if applicable, be terminated
2. Shall be immune from all suits or actions, including the payment of said delinquencies or assessment, as well as administrative cases, and penalties under the National Internal Revenue Code of 1997
3. Any notices of levy, attachments and/or warrants of garnishment issued against the taxpayer shall be set aside pursuant to a lifting of notice of levy/garnishment duly issued by the Bureau of Internal Revenue or its authorized representative

Amnesty on Tax Delinquencies: IMMUNITIES

4. Authority to Cancel Assessment (ATCA) shall be issued by the BIR within fifteen (15) calendar days from submission to the Bureau of Internal Revenue of the Acceptance Payment Form and the Tax Amnesty on Delinquencies Return
5. Upon full compliance with all the conditions set forth in the law and payment of the corresponding tax on delinquency, the tax amnesty shall become final and irrevocable.

Confidentiality of Tax Amnesty Return and SALN



1. Any information or data contained in, derived from or provided by a taxpayer in the Tax Amnesty Return, SALN and the appurtenant documents shall be confidential in nature and shall not be used in any investigation or prosecution before any judicial, quasi-judicial, and administrative bodies

Confidentiality of Tax Amnesty Return and SALN



2. Any SALN, information sheets, and any such other statements or disclosures that may have been previously submitted by the taxpayer are deemed to have been amended by the Tax Amnesty Return and/or the SALN

Penalty Clause

1. Sec 270 of Tax Code – ***Unlawful Divulgence of Information.*** – Except as provided in Sections 6(F) and 71 of this Code and Section 26 of Republic Act No. 6388, upon conviction for each act or omission, be punished by a fine of not less than Fifty thousand pesos (P50,000) but not more than One hundred thousand pesos (P100,000), or suffer imprisonment of not less than two (2) years but not more than five (5) years, or both.

Penalty Clause

2. Sec 24 of the Amnesty Act- Unlawful Divulgence of Tax Amnesty Return and Appurtenant Documents. Any person.....shall be penalized a fine of One hundred fifty thousand pesos (P150,000) and imprisonment of not less than six (6) years but not more than ten (10) years.
3. If the offender is an officer or employee of the BIR or any government entity, the penalties under Section 270 (Tax Code), shall apply with additional penalty of perpetual disqualification to hold public office.

Information Management System



1. Institute an Information Management Program for the effective use of information declared or obtained from the Tax Amnesty Returns and Statement of Total Assets or SALN
2. All the statements and returns required under the Amnesty Act shall be filed and processed separately from all other records of the BIR in accordance with the RRs

Information Management System



3. Comply with Section 71 of the Tax Code and the provisions of Republic Act No. 10173, otherwise known as the “Data Privacy Act” and such other laws relating to confidentiality of information.
4. Disposition of Proceeds from the Tax Amnesty Collection: Php500Milion

Oversight Committee

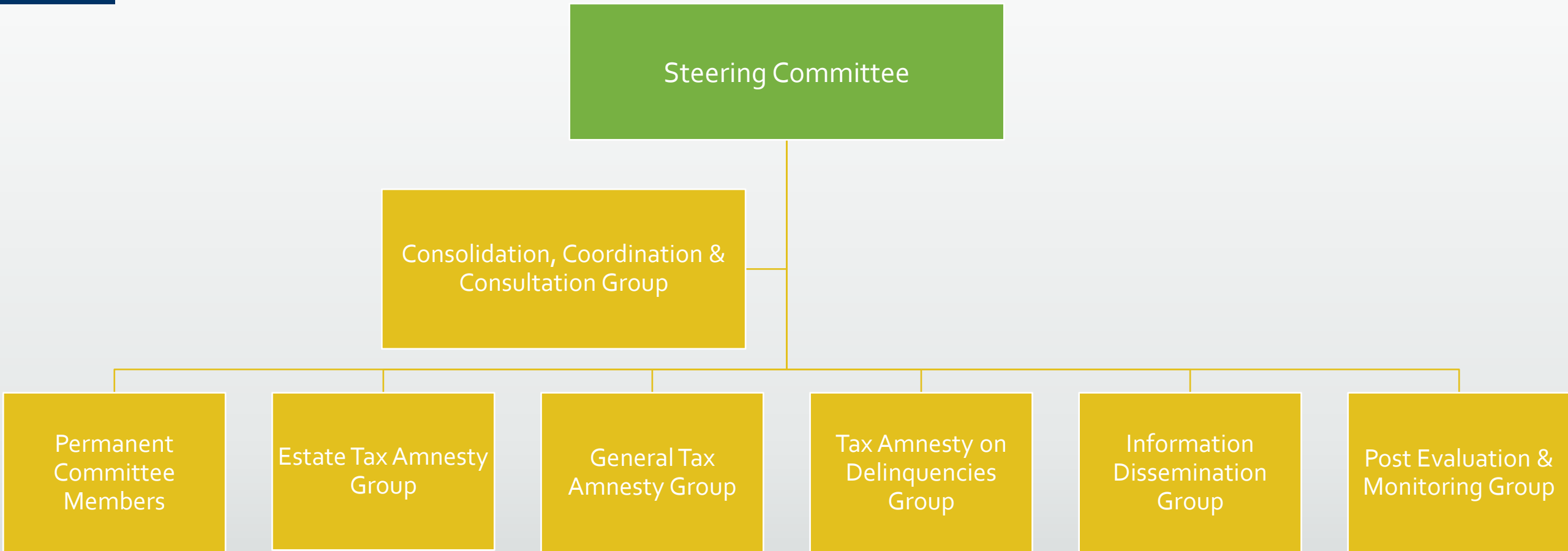
Report to Oversight Committee. – The Commissioner shall submit to the Oversight Committee referred to in Section 290 (Tax Code), through the Chairpersons of the Committee on Ways and Means of the Senate of the Philippines and the House of Representatives, a detailed report on the implementation of the Amnesty Act within six (6) months after the two (2) year period of availment of the Estate Tax Amnesty and one (1) year period of availment of the ~~General Tax Amnesty~~ and the Tax Amnesty on Delinquencies.



Tax Amnesty 2019

VER 1.0 – February 2019

RSO 1418-2018 (Nov. 29, 2018)





REPUBLIC OF THE PHILIPPINES
BUREAU OF INTERNAL REVENUE



REVENUE REGULATION No. 4- 2019
TAX AMNESTY ON DELINQUENCIES
Implementing Rules and Regulations of Republic Act No. 11213, Otherwise Known as "Tax Amnesty Act", Providing for the Guidelines on the Processing of Tax Amnesty on Delinquencies

Section 1. Scope

Pursuant to the provisions of Section 244 in relation to Section 245 of the 1997 Tax Code, as amended, these Regulations are hereby promulgated to implement the provisions of Tax Amnesty on Delinquencies under Title IV of the Tax Amnesty Act.

Section 2. Definition of Terms

- A. Delinquent Account
- B. Assessment Notice
- C. Basic Tax Assessed
- D. Criminal Cases
- E. Withholding Agent

Delinquent Account

Pertains to a tax due from a taxpayer arising from the audit of the Bureau which had been issued Assessment Notices that have become final and executory due to the following instances:

1. Failure to pay the same on the prescribed due date provided in the Final Assessment Notice (FAN)/Formal Letter of Demand (FLD) and for which no valid Protest has been filed within thirty (30) days from receipt thereof;

Delinquent Account

2. Failure to file an appeal to the Court of Tax Appeal (CTA) or an administrative appeal before the Commissioner of Internal Revenue (CIR) within thirty (30) days from receipt of the decision denying the request for reinvestigation or reconsideration; or
3. Failure to appeal to the CTA within thirty (30) days from receipt of the Decision of the CIR denying the taxpayer's administrative appeal to the Final Decision on Disputed Assessment (FDDA).

Assessment Notice

Refers to notice to a taxpayer of the amount of deficiency tax assessed. This term includes FAN/FLD and FDDA.

Basic Tax Assessed

Refers to any of the following:

1. Tax due shown on the Assessment Notice, net of basic tax paid prior to the effectivity of these Regulations, exclusive of civil penalties;
2. The computed basic tax liabilities as shown in the criminal complaint filed by the BIR with the Department of Justice (DOJ)/Prosecutor's Office or in the information filed in the Courts for violations of tax laws and regulations; and
3. The basic tax liabilities per Court's final and executory decision.

Criminal Cases

Refer to crimes and other offenses defined and enumerated under Chapter II of Title X and Section 275 of the 1997 Tax Code, as amended.



Withholding Agent

Refers to a person required to withhold, account for, and remit within the prescribed period any tax imposed by the 1997 Tax Code, as amended.

Section 3. Coverage

All persons, whether natural or juridical, with internal revenue tax liabilities covering taxable year 2017 and prior years, may avail of Tax Amnesty on Delinquencies within one (1) year from the effectivity of these Regulations, under any of the following instances:

Section 3. Coverage

- A. Delinquent accounts, as of the effectivity of these Regulations, including the following:
 - 1. With application for compromise settlement either on the basis of: (a) doubtful validity of the assessment or (b) financial incapacity of the taxpayer, whether the same was denied by or still pending with the Regional Evaluation Board (REB) or the National Evaluation Board (NEB), as the case may be, on or before the effectivity of these Regulations;

Section 3. Coverage

2. Delinquent Withholding Tax Liabilities arising from non-withholding of tax;
3. Delinquent estate tax liabilities.

Section 3. Coverage

- B. With pending criminal cases with the DOJ/Prosecutor's Office or the courts for tax evasion and other criminal offenses under Chapter II of the Title X and Section 275 of the Tax Code, as amended, with or without assessments duly issued;
- C. With tax cases subject of final and executory judgement by the courts on or before the effectivity of these Regulations; and
- D. Withholding tax liabilities of withholding agents arising from their failure to remit withheld taxes.

Section 4. Tax Amnesty Rates

Coverage	Amnesty Rate
A. Delinquent accounts and assessments which have become final and executory	40% of the basic tax assessed
B. Tax cases subject of final and executory judgment by the courts	50% of the basic tax assessed
C. Pending criminal cases filed with the DOJ/Prosecutor's Office or courts of tax evasion and other criminal offenses under Chapter II of Title X and Section 275 of the Tax Code, as amended	60% of the basic tax assessed
D. Withholding agents who withheld taxes but failed to remit the same to the Bureau	100% of the basic tax assessed



Section 4. Tax Amnesty Rates

The tax amnesty rate of one hundred percent (100%) provided in letter (D) shall also apply in all cases of non-remittance of withholding taxes, even if the same fall under letters (A), (B) or (C).

In cases where the delinquent taxes have been the subjects of application for compromise settlement pursuant to Section 204 of the Tax Code, whether denied or pending, the amount of payment shall be based on the net amount as certified by the concerned office following the procedure under Section 5(C) of these Regulations.

Section 4. Tax Amnesty Rates

Illustration 1:

With denied/ pending application for Compromise Settlement:

Basic Tax per FAN	₱	1,000,000.00
Amount paid per Compromise Settlement Application	₱	400,000.00
Net Basic Tax prior to the effectivity of these Regulations	₱	600,000.00
Multiply by the Tax Amnesty Rate		40%
Amount of Tax Amnesty to be paid	₱	240,000.00

Section 4. Tax Amnesty Rates

For all other cases with partial/installment payments, the amount of payment shall be based on the net amount as certified by the concerned office as specified under Section 5(C) of the Regulations.

Illustration 2:

With partial/installment payments

Basic Tax per FAN	₱	1,000,000.00
Partial payment /s applied to basic tax prior to the effectivity of these Regulations	₱	200,000.00
Net Basic Tax	₱	800,000.00
Multiply by the Tax Amnesty Rate		40%
Amount of Tax Amnesty to be paid	₱	320,000.00

RR on Tax Amnesty on Delinquencies

VER 1.0 – April 2019

Section 4. Tax Amnesty Rates

ILLUSTRATION 3:

Mr. Allan Dimo has an income tax liabilities from taxable year 2016, which have become final and executory last December 31, 2018, computed as follows:

	Basic Tax Due				P	3,000,000.00	
	Add: Legal Increments:						
	Deficiency Interest		P	1,500,000.00			
	Compromise penalty			25,000.00		1,525,000.00	
	Total Amount due per FAN				P	4,525,000.00	
	Add: Delinquency Interest					175,000.00	
	Total Income Tax Liability				P	<u>4,700,000.00</u>	

Section 4. Tax Amnesty Rates

Question: 1. If Mr. Allan Dimo applies for Tax Amnesty, how much is the tax amnesty amount to be paid?

COMPUTATION OF THE TAX AMNESTY AMOUNT:				
	Question No. 1:			
	Basic Tax Due		P	3,000,000.00
	Multiply by the prescribed percentage			x 40%
	Amount of tax amnesty		P	<u>1,200,000.00</u>

Section 4. Tax Amnesty Rates

Question: 2. If the tax liability involved is unremitted withholding tax, how much is the tax amnesty amount to be paid?

Question No. 2:				
Basic Tax Due			P	3,000,000.00
Multiply by the prescribed percentage				x 100%
Amount of tax amnesty			P	<u>3,000,000.00</u>

Section 4. Tax Amnesty Rates

ILLUSTRATION 4:

Mr. Allan Dimo has a Value Added Tax liabilities from 1st and 2nd quarter of calendar year 2018, which have become final and executory last March 31, 2019, computed as follows:

	Basic Tax Due			P	3,000,000.00	
	Add: Legal Increments:					
	Deficiency Interest	P	1,500,000.00			
	Compromise penalty		25,000.00		1,525,000.00	
	Total Amount due per FAN			P	4,525,000.00	
	Add: Delinquency Interest				175,000.00	
	Total Income Tax Liability			P	<u>4,700,000.00</u>	

Section 4. Tax Amnesty Rates

Question: If Mr. Allan Dimo applies for Tax Amnesty, how much is tax amnesty amount to be paid?

COMPUTATION OF THE TAX AMNESTY AMOUNT:

Not qualified for Tax amnesty on delinquencies for it only covers internal revenue tax liabilities covering taxable year 2017 and prior years. In this case, the delinquent account comes from 2018 taxable quarters.

Section 4. Tax Amnesty Rates

ILLUSTRATION 5:

Mr. Allan Dimo has an income tax liabilities from taxable year 2016, which have become final and executory last April 30, 2019, computed as follows:

	Basic Tax Due				P	3,000,000.00	
	Add: Legal Increments:						
	Deficiency Interest	P	1,500,000.00				
	Compromise penalty		25,000.00			1,525,000.00	
	Total Amount due per FAN				P	4,525,000.00	
	Total Income Tax Liability				P	4,525,000.00	

Section 4. Tax Amnesty Rates

Question: If Mr. Allan Dimo applies for Tax Amnesty, how much is the tax amnesty amount to be paid?

COMPUTATION OF THE TAX AMNESTY AMOUNT:

Not qualified for Tax amnesty on delinquencies for it only covers internal revenue tax liabilities covering taxable year 2017 and prior years which are considered delinquent account on or before April 24, 2019.

Section 4. Tax Amnesty Rates

ILLUSTRATION 6:

The BIR filed a complaint with the DOJ / Prosecutor's office against Mr. Bob Uy for tax evasion case from 2017 taxable period. The computed income tax liability as presented in the complaint are as follows:

	Basic Tax Due				P	3,000,000.00
	Add: Legal Increments:					
	50% Surcharge		P	1,500,000.00		
	Deficiency Interest			1,000,000.00		2,500,000.00
	Total Income Tax Liability				P	<u>5,500,000.00</u>

Section 4. Tax Amnesty Rates

Question: 1. If Mr. Bob Uy applies for Tax Amnesty, how much is the tax amnesty amount to be paid?

COMPUTATION OF THE TAX AMNESTY AMOUNT:					
	Question No. 1:				
	Basic Tax Due			P	3,000,000.00
	Multiply by the prescribed percentage				x 60%
	Amount of tax amnesty			P	<u>1,800,000.00</u>

Section 4. Tax Amnesty Rates

Question: 2. If the tax involved in this case pertains to unremitted withholding tax, how much is the tax amnesty amount to be paid?

Question No. 2:				
Basic Tax Due			P	3,000,000.00
Multiply by the prescribed percentage				x 100%
Amount of tax amnesty			P	<u>3,000,000.00</u>

Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

A. Documentary Requirements

1. Tax Amnesty Return (TAR) (BIR Form No. 2118-DA, [Annex "A"](#)), completely and accurately accomplished and made under oath;
2. Acceptance Payment Form (APF) (BIR Form No.0621-DA, [Annex "B"](#)) duly validated by the Authorized Agents Banks (AABs) or APF duly stamped "received" with accompanying bank deposited slip duly validated by the concerned AABs or Revenue Official Receipt (ROR) issued by the Revenue Collection Officers (RCOs);
3. Certificate of Tax Delinquency/Tax Liabilities issued by concerned BIR offices ([Annex "C"](#));
4. Copy of the FAN/FDDA with Details, in case the application is under Section 3(A)(3) of the Regulations/ or Preliminary Assessment Notice (PAN) or equivalent document if application is under Section 3(D).

Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

B. **Place of Filing** – The tax Amnesty Return shall be filed with the following BIR offices:

Classification	Place of Filing
Non-Large Taxpayers	Revenue District Office (RDOo where applicant-taxpayer is registered
Large Taxpayers – Cebu or Davao	Lager Taxpayers Division (LTD) Office where applicant-taxpayer is registered
Large Taxpayers – Excise and Regular	Large Taxpayer Collection Enforcement Division (LTCED)

Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

c. Procedures

Step 1.

Secure the Certificate of Delinquency from the concerned BIR Office*

Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

***Concerned BIR Offices where taxpayer can secure Certificate of Delinquency (Step 1 from previous slide)**

	Nature of Tax Liabilities	Large Taxpayer	Non-Large Taxpayer
1	Delinquent tax cases, including withholding tax liabilities of withholding agents arising from failure to remit withheld taxes and those with pending or denied application for compromise settlement	Large Taxpayer Division (Cebu or Davao)/Large Taxpayers Collection Enforcement Division (LTCED)	<ul style="list-style-type: none"> a. Regional Collection Division – for taxpayer-applicants under the jurisdiction of RR 5,6,7 & 8 b. Revenue District Office (RDO) –if taxpayer applicant is under other RRs, including those under RDO 36

Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

*Concerned BIR Offices where taxpayer can secure Certificate of Delinquency

Nature of Tax Liabilities	Large Taxpayer	Non-Large Taxpayer
<p>2 Tax Cases subject of final and executory judgment by the courts</p>	<p>Litigation/prosecution Division of the National Office, which handled the case.</p>	<p>a. Legal Division of the Regional Office – for taxpayer-applicants under the jurisdiction of Revenue Regions (RR) Nos. 5, 6, 7 and 8 (Caloocan, Manila, Quezon City and Makati, respectively);</p> <p>b. Legal Division of the Regional Office or Litigation/Prosecution Division in the National Office which handled the case – For taxpayer-applicants under the jurisdiction of Revenue Regions other than the RRs mentioned under (a) hereof.</p>



Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

*Concerned BIR Offices where taxpayer can secure Certificate of Delinquency

Nature of Tax Liabilities		Large Taxpayer	Non-Large Taxpayer
3	Tax liabilities covered by a pending criminal cases filed with DOJ/Prosecutor's Office/Courts	Prosecution Division of the National Office	<ul style="list-style-type: none"> a. Legal Division– for taxpayer-applicants under the jurisdiction of Revenue Regions (RR) Nos. 5, 6, 7 and 8 (Caloocan, Manila, Quezon City and Makati, respectively); b. Legal Division of the Regional Office or Prosecution Division in the National Office which handled the case – For taxpayer-applicants under the jurisdiction of Revenue Regions other than the RRs mentioned under (a) hereof.



Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

c. Procedures

Step 2.

Present the duly accomplished TAR made under oath and APF, together with other required documents, to the concerned RDO/LTD/LTCED for endorsement of the APF and pay the amnesty amount with the AABs or RCOs, whichever is applicable, by presenting the RDO/LTD/LTCED-endorsed APF: Provided, that if no payment is required, the phrase “No Payment Required” shall be indicated in the APF; and



BIR Form No. **2118-DA**
March 2019
Page 1

Tax Amnesty Return on Delinquencies
Pursuant to Republic Act No. 11213

2118-DA 03/19 P1

1 Date Filed (MMDD/YYYY) _____ 2 Tax Type Code **MC** 3 Tax Type Description **Tax Amnesty** 4 ATC _____ 5 No. of Sheet/s Attached _____

Part I - Taxpayer Information

6 Taxpayer Identification Number (TIN) _____ 7 RDO Code _____

8 Taxpayer/Filer's Name (Last Name, First Name, Middle for Individual OR Registered Name for Non-Individual) _____

9 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. 1515) _____

9A ZIP Code _____

10 Email Address _____

Part II - Computation of Tax Amnesty

Particulars	Amount of Tax Amnesty
11 Delinquent Accounts and Assessments which have become final and executory (From Part V Item 12)	
12 Tax Cases subject of final and executory judgment by the courts (From Part V Item 19)	
13 Pending Criminal Cases filed with the Department of Justice (DOJ)/Prosecutor's Office or the courts for tax evasion and other criminal offenses under Chapter II of Title X and Section 275 of the Tax Code, as amended (From Part V Item 26)	
14 Withholding Agents who withheld taxes but failed to remit the same to the Bureau (From Part V Item 33)	
15 Total Tax Amnesty Amount (Sum of Items 11 to 14) (Amount to be reflected in BIR Form No. 0621-DA)	

I/We declare under the penalties of perjury that this return has been made in good faith, verified by me/us, and to the best of my/our knowledge and belief, is true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. Further, I/we give my consent to the processing of my/our information as contemplated under the Data Privacy Act of 2012 (R.A. No. 10173) for legitimate and lawful purposes. (If Authorized Representative, attach authorization letter and indicate TIN)

For Individual: _____ For Non-Individual: _____

Signature over Printed Name of Taxpayer/Authorized Representative/Tax Agent (Indicate Title/Designation and TIN) _____ Signature over Printed Name of President/Vice President / Authorized Officer or Representative/Tax Agent (Indicate Title/Designation and TIN) _____

Tax Agent Accreditation Number/ _____ Date of Issue (MMDD/YYYY) _____ Date of Expiry (MMDD/YYYY) _____
Attorney's Roll Number (if applicable) _____

Part III - Attachments

Please put "v" in the applicable box/es:

Acceptance Payment Form-BIR Form No. 0621-DA (duly stamped received by the RCO or AAB) with duly validated deposit slip

Certificate of Delinquencies

Issued by RDO Issued by LTCED

Issued by Legal Division Issued by LTD - Cebu

Issued by Litigation Division Issued by LTD - Davao

Issued by Prosecution Division

Copy of FAN/FLD with details, if applicable

Part IV - Details of Payment

Paid thru: AAB (specify) _____ Branch Location _____ Date (MMDD/YYYY) _____
 RCO (specify) _____ Date _____



Part V - Computation of Tax Amnesty (Should be lifted from the Certificate of Tax Delinquencies)

A. Delinquent Taxes and Assessment which became final and executory

Taxable Period		Tax Type (c)	Basic Tax (d)	Partial Payment Made (e)	Base Amount (f) [f = d - e]	Required % (g)	Amount of Tax Amnesty (h) [h = f X g]
From (MMDD/YYYY) (a)	To (MMDD/YYYY) (b)						
1						40%	
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12 Total (Sum of Items 1 to 11) (To Part II Item 15)							

B. Tax cases subject of final and executory judgment of the courts

13						50%	
14							
15							
16							
17							
18							
19 Total (Sum of Items 13 to 18) (To Part II Item 15)							

C. Pending criminal cases with the DOJ or the courts for tax evasion and other criminal offenses

20						60%	
21							
22							
23							
24							
25							
26 Total (Sum of Items 20 to 25) (To Part II Item 15)							

D. Withholding tax liabilities (applicable to cases arising from non-remittance of taxes withheld)

27						100%	
28							
29							
30							
31							
32							
33 Total (Sum of Items 27 to 32) (To Part II Item 15)							

Section 5. Manner of Availment of Tax Amnesty on Tax Delinquencies

c. Procedures

Step 3.

Submit/File to the RDO/LTD/LTCED where the taxpayer is registered in triplicate copies the duly accomplished TAR made under oath together with the complete documentary requirements and proof of payment , which in no case shall be beyond the one (1) year availment period. The taxpayer/applicant shall be furnished with a copy, stamped as received, of said TAR and APF.



For BIR BCS/
Use Only Item:

BIR Form No. 0621-DA March 2019		Acceptance Payment Form Tax Amnesty on Delinquencies Pursuant to Republic Act No. 11213 <small>Enter all required information in CAPITAL LETTERS using BLACK ink. Mark all applicable boxes with an "X".</small>			 0621-DA 03/19			
1 Date Filed (MM/DD/YYYY)	2 Tax Type	MC	3 ATC	MC	4 Number of Sheet/s Attached			
Part I – Taxpayer Information								
5 Taxpayer Identification Number (TIN)					6 RDO Code			
7 Taxpayer/Filer's Name (Last Name, First Name, Middle Name for Individual OR Registered Name for Non-Individual)								
8 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)								
						8A ZIP Code		
9 Email Address								
Part II – Tax Amnesty Amount								
10 Tax Amnesty Amount [Lifted from Tax Amnesty Return (BIR Form No. 2118-DA)]					For payment of Tax Amnesty on Delinquencies ENDORSED BY:			
<p>I/We declare under the penalties of perjury that this certificate has been made in good faith, verified by me/us, and to the best of my/our knowledge and belief, is true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. Further, I/we give my consent to the processing of my/our information as contemplated under the "Data Privacy Act of 2012 (R.A. No. 10173) for legitimate and lawful purposes. (If Authorized Representative, attach authorization letter and indicate TIN)</p>								
For Individual:			For Non-Individual:					
Signature over Printed Name of Taxpayer/Authorized Representative/Tax Agent <small>(Indicate title/designation and TIN)</small>			Signature over Printed Name of President/Vice President/ Authorized Officer or Representative/Tax Agent <small>(Indicate title/designation and TIN)</small>					
Tax Agent Accreditation No./ Attorney's Roll No. (if applicable)		Date of Issue (MM/DD/YYYY)	Date of Expiry (MM/DD/YYYY)	Revenue District Officer <small>(Signature over Printed Name)</small>				
Part III – Details of Payment								
Particulars	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount				
11 Cash/Bank Debit Memo								
12 Check								
Machine Validation/Revenue Official Receipt Details (if not filed with an Authorized Agent Bank)				Stamp of Receiving Office/AAB and Date of Receipt <small>(RO's Signature/Bank Teller's Initial)</small>				





Republic of the Philippines
 Department of Finance
BUREAU OF INTERNAL REVENUE
 Quezon City

CERTIFICATE OF TAX DELINQUENCIES/TAX LIABILITIES

This is to certify that based on the record of this Bureau, (NAME OF TAXPAYER), with Taxpayer Identification Number (TIN) 000-000-000 and registered address at Diliman, Quezon City, has the following delinquent tax liabilities:

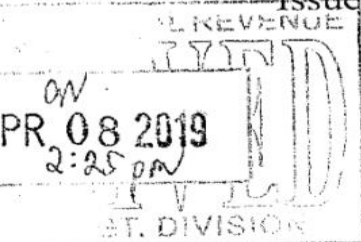
	TAX TYPE*	TAXABLE PERIOD		FAN/FLD/ FDDA # Or PAN # OR CASE #	DATE OF RECEIPT OF FAN/FLD/FDDA (Not applicable on Cases pending with DOJ/Prosecutor's Office/Courts)	BASIC TAX	TOTAL PENALTIES	TOTAL	PARTIAL PAYMENT**	
		FROM mm/dd/yyyy	TO mm/dd/yyyy						AMOUNT	MANNER**
1.	IT	01/01/2016	12/31/2016	123456	03/15/2018	1,000,000	300,000	1,300,000	100,000	CSA
2.	VT									

*Tax Type Codes: IT-Income Tax; VT-Value Added Tax; DS-Documentary Stamp Tax

**Manner of Partial Payments: AIP-Approved Installment Plan; CSA- Compromise Settlement Application; APA- Abatement of Penalty Application; PAP- Proceeds of Auctioned Property/ies; MBP- Minimum Bid Price of properties forfeited in favor of the government for lack of bidder

This Certification is issued for purposes of taxpayer's intention to avail of the Tax Amnesty on Tax Delinquencies pursuant to Republic Act No. 11213, as implemented by Revenue Regulations No. _____.

Issued this _____



(Signature over Printed Name)
 REVENUE DISTRICT OFFICER / CHIEF, PROSECUTION DIVISION
 CHIEF, LEGAL DIVISION/ CHIEF, LITIGATION DIVISION
 RDO No. _____ / REVENUE REGION NO. _____

Section 6. Issuance of Authority to Cancel Assessment (ATCA) and Lifting of the Validity of the Issued Notices and Warrants

Notice of Issuance of Authority to Cancel Assessment (NIATCA) shall be issued by the BIR to the taxpayer availing of the Tax Amnesty on Delinquencies within fifteen (15) calendar days from submission of the APF and TAR. Otherwise, the stamped-“Received” duplicate copies of the APF and TAR shall be deemed as sufficient proof of availment.

Insofar as the tax delinquencies covered by the TAR is concerned, any notice, attachment and/or warrant of garnishment issued against the taxpayer by the concerned BIR office shall be set aside pursuant to a lifting of the said notices and warrants issued by the concerned BIR Office.

Section 7. Reports to Oversight Committee

Report to the Congressional Oversight Committee shall be submitted by the BIR within six (6) months after the one (1) year period of availment of the tax amnesty on delinquencies.



Section 8. Immunities and Privileges of Availing Tax Amnesty on Delinquencies

The tax delinquency of those who avail of the Tax Amnesty under these Regulations, upon full compliance with all the conditions set forth hereof, shall be considered settled and the criminal case in connection therewith and its corresponding civil or administrative case, if applicable, is terminated. The taxpayer shall be immune from all suits or actions, including the payment of said delinquency or assessment, as well as additions thereto, and from all appurtenant civil, criminal and administrative cases, and penalties under the 1997 Tax Code, as amended, as such relate to the internal revenue taxes for taxable years that are subjects of the tax amnesty availed of.

The availment of the Tax Amnesty on Delinquencies herein provided and the issuance of the corresponding APF do not imply any admission of criminal, civil or administrative liability on the part of the availing taxpayer.

Section 9. Effectivity

These regulations shall take effect within fifteen (15) days from date of its publication in the newspaper of general circulation or Official Gazette.

FAQs:

- ✓ **Are assessment notices pertaining to penalties prior to the effectivity of the implementing rules and regulation of Title IV of RA No. 11213 covered by the term "delinquent account"? If yes, how can the taxpayer avail of the tax amnesty?**
 - Yes, provided that the penalties are considered delinquent accounts on or before April 24, 2019. However, since the required tax amnesty is based on the basic tax assessed, there shall be no amount due for payment.

FAQs:

- ✓ **Are tax liabilities with issued assessment notice and subject of compromise settlement application but were subsequently denied by either the National Evaluation Board (NEB) or regional evaluation Board (REB) during the one-year availment period of the Tax amnesty on delinquencies be subject of the tax amnesty on delinquency? if yes, how will the tax amnesty amount be computed?**
 - YES, provided that at the time the application for compromise was filed the tax liabilities are considered "delinquent account". the amount of tax amnesty amount shall be forty percent (40%) of the basic tax assessed after deducting the amount previously paid under compromise settlement application.

FAQs:

- ✓ **Is compromise payment made in excess of forty percent (40%) of the basic tax per FAN as tax amnesty payment subject for refund?**
 - No, based on RR No. 4-2019 the basic for computing the tax amnesty rate of 40% is the difference of the based tax assessed less the amount paid as compromise offer.

FAQs:

- ✓ **Can a taxpayer avail of the tax amnesty for his/her/its 2017 tax liabilities which are currently under investigation pursuant a Letter of Authority?**
 - No. Tax amnesty on delinquencies only covers tax liabilities which are considered delinquent accounts on or before April 24, 2019. It does not cover tax liabilities that are currently being examined since there tax liabilities under investigation should have been covered by the tax amnesty which included in the vetoed provisions of RA No.11213.

FAQs:

- ✓ **Can tax amnesty on delinquencies be availed of even if there is no assessment notice issued?**
- Yes, but only with respect to those with pending criminal cases with the OJ/Prosecutor's Office or the courts for tax evasion and other criminal offenses under Chapter II of Title X and Section 275 of the Tax Code as amended, with or without assessments and withholding tax liabilities of withholding agents arising from their failure to remit withheld taxes falling under Section 3(B) and (D), respectively of RR No. 4-2019.

FAQs:

What will be the implications of the Tax Amnesty to the current audit being conducted pursuant to a Letter of Authority (LOA)?

None. The current audit in accordance with the LOA coverage and existing processes.

Are open stop-filer cases included in the amnesty?

No, these are not covered under RR No. 4-2019.

FAQs:

What will happen to the liabilities which were not included in the certification of Delinquencies /Tax Liabilities Issued by the concerned BIR office?

These will remain as outstanding tax liabilities of the concerned taxpayer until the same are fully settled. However, if taxpayer-applicant has knowledge of any delinquent tax liabilities not otherwise included in the issued certificate, the taxpayer can request for the amended certificate, provided that the copy of the FAN/FLD/FDDA together with the sworn Declaration of No Protest Filed is submitted to the concerned BIR office.

FAQs:

Should tax amnesty for different taxable year be availed at once or can it be availed per taxable year or per tax type?

RA No. 11213 provides a one-time opportunity to settle delinquent tax liabilities. In case tax liabilities pertain to different taxable years, the same may be settled by filing one TAR. However, if the taxpayer is not capable of paying the required amount of tax amnesty on "one-time basis", it may settle tax liabilities he/she/it wishes to prioritize. Tax liabilities which remain unsettled can be covered by filing another TAR, provided the same is made during the one-year availment period.

FAQs:

Can Certificates of Availment of the tax amnesty be used as evidence to recover seized property, or lift notices of levy and warrants?

Taxpayer-applicants who have complied with requirements and manner of availing tax amnesty on delinquencies shall be issued "Notice of Issuance of Authority to Cancel Assessment (NIATCA), instead of the Certificate of Availment.

If the notices of levy and warrants pertain to the tax liabilities declared in the TAR, then the NIATCA is sufficient document to lift the effectivity of these notices and warrants. However, seized properties, once disposed through public auction prior to taxpayer's availment of tax amnesty, can no longer be recovered, unless redeemed within the prescribed period of redemption.

Section 20 of RA No. 11213 provides that the duplicate copies, stamped as received, of the APF and TAR shall be deemed as sufficient proof of availment even if no NIATCA is issued.

FAQs:

Will the tax liabilities of a taxpayers covered by a FAN which was timely protested yet withdrawn prior to the effectivity of RR 4-2019 be considered delinquent account prior to the effectivity of RR 4-2019?

Yes, since technically once the protest is withdrawn by the taxpayer, the FAN shall already be considered "final and executory".

What will happen if the protest was withdrawn after the effectivity of RR No. 4-2019?

The taxpayer-applicant cannot include such tax liabilities in the TAR since these are not considered delinquent account as defined under RR No.4-2019.

FAQs:

Will the pending criminal case of the taxpayer be terminated once the taxpayer availed of the Tax Amnesty on Tax Delinquencies?

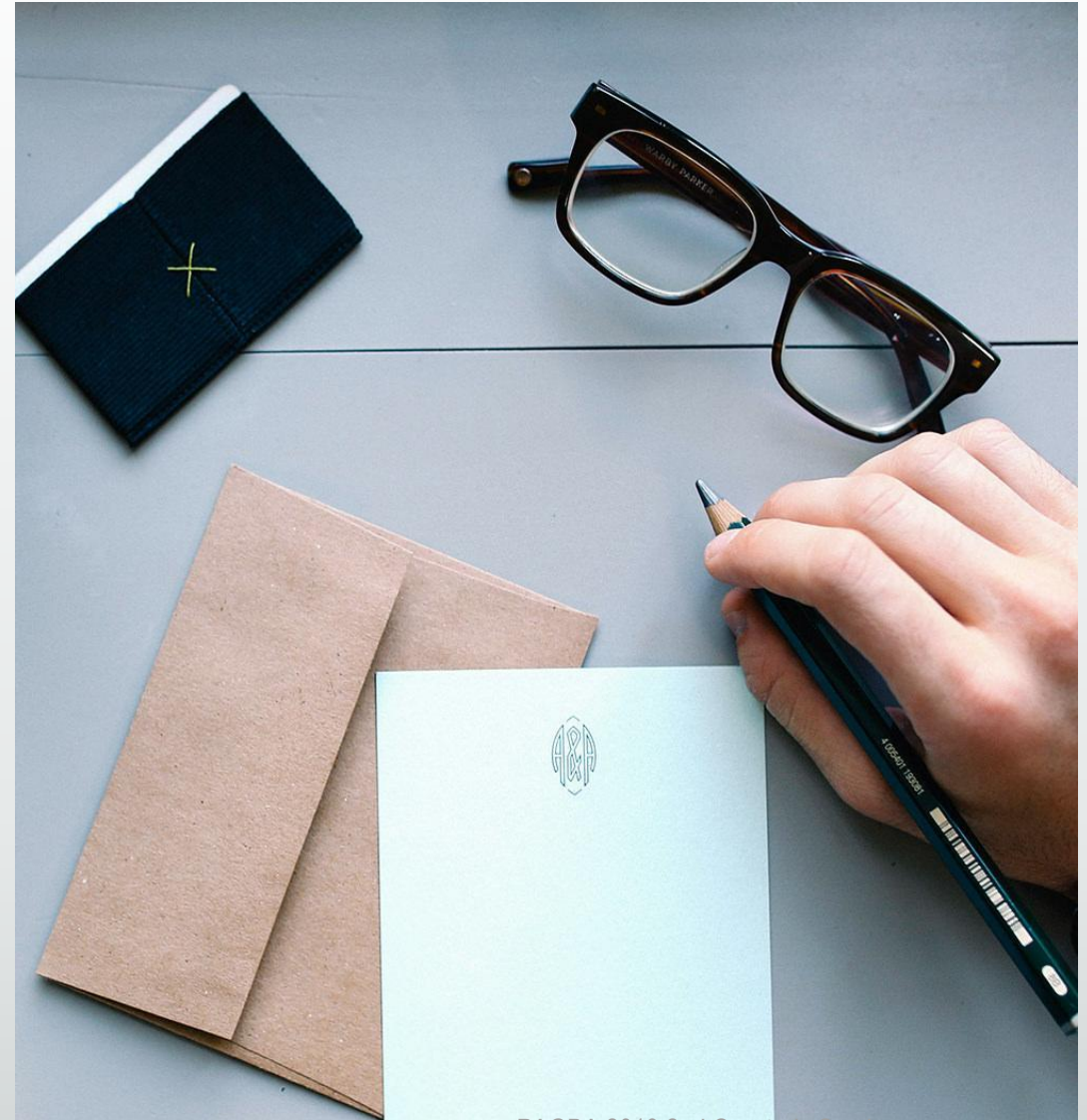
Yes, provided that the taxpayer included in the TAR the tax liabilities relative to the pending criminal case and provided further that it fully complied with all the conditions set

Are current issued LOA for 2017 and prior years immediately suspended due to the amnesty program?

No, there is no suspension of LOA due to tax amnesty on delinquencies.

For questions

Send your email to
taxamnesty@bir.gov.ph



RR on Tax Amnesty on Delinquencies

VER 1.0 – April 2019

PAGBA 2019 2nd Quarterly Seminar
May 1-4, 2019 Crown legacy Hotel, Baguio City

“A nation is great not by its size alone. It is the will, the cohesion, the stamina, the discipline of its people and the quality of their leaders which ensure it an honourable place in history.”

Mr. Lee Kuan Yew, 1963

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END OF PRESENTATION...

THANK YOU !

Have a nice day!

