



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

TAX ADVISORY

In compliance with Section 40 of the TRAIN Law mandating every person subject to the percentage taxes imposed under Title V of the Tax Code, as amended, to file a quarterly return of his gross sales, receipts or earnings and pay the tax due thereon within twenty-five (25) days after the end of each taxable quarter, the following instructions must be observed:

1. All taxpayers subject to percentage tax pursuant to Section 116 of the Tax Code and those who will be subject thereto due to change of registration from VAT to Non-VAT, are required to pay the percentage tax on a quarterly basis using BIR Form No. 2551Q. There is no need to file and pay monthly percentage tax on their monthly gross receipts using BIR Form No. 2551M.
2. Taxpayers who are required to withhold Other Percentage Taxes and Value-added Tax under Revenue Regulations No. 2-98, as amended, shall continue to withhold and remit taxes on a monthly basis using BIR Form No. 1600 – Remittance Return of VAT and Other Percentage Taxes Withheld, considering that taxes withheld are held in trust for the government.

Furthermore, BIR Form No. 1600 (Remittance Return of VAT and Other Percentage Taxes Withheld) shall still be used for VAT withheld on government money payments and payments to non-residents.

In summary please refer to the following:

Subject	What to file and pay
Percentage Taxpayer	Quarterly Percentage Tax (BIR Form 2551Q)
Withholding agents (Percentage and VAT)	Monthly Remittance Return of Value-added Tax and Other Percentage Taxes Withheld (BIR Form 1600)
Withholding of VAT on Government Money Payments and Payments to Non-Residents	Monthly Remittance Return of Value-added Tax and Other Percentage Taxes Withheld (BIR Form 1600)

In this regard, all concerned taxpayers are hereby advised to strictly comply with the abovementioned procedures starting taxable year 2018.

Issued this 8th day of February 2018.

Quezon City, Metro Manila


CAESAR R. DULAY

Commissioner of Internal Revenue

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