REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

Secs. Sections 23(D) and 22(F), 24, 51 NIRC; RR02-40
BIR Ruling No. 252-11
#015-2018

1-16-2018
Date

PASTOR NOUR MALAK TAWFEEQ IBRAHIM
The Messiah Christian Ministries
Balintawak, Mambajao,
9100 Camiguin

Dear Pastor Ibrahim:

This refers to your letter received by this Office on December 4, 2012 from BIR RDO-097 under 1st Indorsement dated November 26, 2012 for the issuance of a certificate of tax exemption as an outreach pastor of The Way Christian Ministries Inc. Cagayan De Oro City and receiving no fixed income.

You affirm that you are an Egyptian national, married to Visitation Luspo-Malak and currently residing at Balintawak, Mambajao, Camiguin Province; that you are a registered alien holding Alien Certificate of Registration No.
valid until February 17, 2015; that you are a Pastor of The Messiah Christian Ministries in Mambajao which is an outreach of The Way Christian Ministries, Inc. Cagayan De Oro City; that you are not receiving any fixed income, allowance or stipend but only from voluntary gifts, cash or in kind, from church members; that this is confirmed by the senior pastor or The Way Ministries, Inc.; and that this request is for the purpose of your submission to the Regional Trial Court of Mambajao, Camiguin for the filing of your application for naturalization.

In reply, please be informed that Sections 23(D) and 22(F) of the Tax Code of 1997, as amended, state:

> (D) An alien individual, whether a resident or not of the Philippines, is taxable only on income derived from sources within the Philippines.
>
> x x x
>
> (F) The term 'resident alien' means an individual whose residence is within the Philippines and who is not a citizen thereof.

In relation thereto, portion of Sec. 5 of Revenue Regulations No. 2 (Income Tax Regulations) provides as follows, *viz*:

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'An alien actually present in the Philippines who is not a mere transient or sojourner is a resident of the Philippines for purposes of the income tax. Whether he is a transient or not is determined by his intentions with regard to the length and nature of his stay. A mere floating intention indefinite as to time, to return to another country is not sufficient to constitute him a transient. If he lives in the Philippines and has no definite intention as to his stay, he is a resident. One who comes to the Philippines for a definite purpose which in its nature may be promptly accomplished is a transient. But if his purpose is of such a nature that an extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily in the Philippines, he becomes a resident, though it may be his intention at all times to return to his domicile abroad when the purpose for which he came has been consummated or abandoned.'

Hence, for purposes of Philippine income taxation, you are considered a resident alien taxable only on income derived from sources within the Philippines as provided in Section 24 in relation to Section 23(D) of the Tax Code. Accordingly, as a resident alien, you are subject to income tax in the same manner as a Filipino citizen, as provided in Section 24 in relation to Section 23(D) of the Tax Code. You can also avail of the personal tax deductions and tax exemptions allowed to Filipino citizens under Sections 34 and 35 of the Tax Code, respectively. *(BIR Ruling No. 252-11 dated July 26, 2011)*

On the filing of income tax return, the rule is that every alien residing in the Philippines shall be required to file an income tax return on <u>any income</u> derived from sources within the Philippines unless he is among those individuals enumerated under Section 51(A)(2) of the Tax Code of 1997.

This ruling is being issued on the basis of the foregoing facts as represented. However, if upon investigation, it will be ascertained that the facts are different, then this ruling shall be considered null and void.

Very truly yours,

CAESAR R. DULAY
Commissioner of Internal Revenue

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