REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

January 19, 2009

REVENUE MEMORANDUM CIRCULAR NO. 4-2009

SUBJECT: Extension of the Deadline for the Submission of the Annual Information Return of Income Taxes Withheld on Compensation and Final Withholding Taxes (BIR Form No. 1604-CF) Due to Technical Problems

TO : All Internal Revenue Officers, Employees and Others Concerned

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The implementation of Revenue Regulations No. 10-2008, pursuant to the provisions of Republic Act No. 9504, specifically on the provisions exempting from income tax the Statutory Minimum Wage received by minimum wage earners, including overtime pay, holiday pay, night shift differential and hazard pay, necessitates changes in the tax forms to be accomplished by taxpayers, the Bureau's computerized tax systems, etc. Considering that taxable year 2008 is the initial year of implementation of said law, there are certain adjustments to be made by employers that include some details for minimum wage earners, as well as those employees availing of substituted filing.

Section 83 (A) of the National Internal Revenue Code (NIRC) provides that every employer required to deduct and withhold the taxes in respect of the wages of his employees shall, on or before January thirty-first (31st) of the succeeding year, submit an Annual Information Return of Income Taxes Withheld on Compensation and Final Withholding Taxes (BIR Form No. 1604-CF) with alphalists of employees/payees. Moreover, all withholding agents with less than ten (10) employees/payees are required to submit the said annual information return in hard copies, while employers with ten (10) or more employees/payees are required to submit the same in hard and soft-copies. On the other hand, those mandated to file under Electronic Filing and Payment System (eFPS) are required to submit in soft-copies regardless of the number of employees/payees.

To ensure smooth implementation of the new law, it is imperative that technical infrastructures are in place to provide facility for taxpayers to easily comply with the prescribed reporting requirements and for the Bureau to effectively process the submitted information and monitor taxpayers' compliance. To date, however, technical and systems problems are encountered in the enhancements of the Data Entry Module for the preparation of Alphalists of Employees and the Validation Module to check technical specifications of those using their own extraction programs/excel format/data entry module.

Relative to this and pursuant to Section 83 (C) of the NIRC which provides that the Commissioner may grant to any employer a reasonable extension of time to furnish and submit the statements and returns required, the deadline for the filing of the revised **BIR Form No.1604-CF (July 2008 ENCS)** is hereby allowed until **February 27, 2009.**

All internal revenue officers and others concerned are enjoined to give this Circular as wide a publicity as possible.

(Original Signed)
SIXTO S. ESQUIVIAS IV
Commissioner of Internal Revenue

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