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

BUREAU OF INTERNAL REVENUE
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July 24, 2014

REVENUE MEMORANDUM CIRCULAR NO. 60-2014

SUBJECT : Clarification on the applicability of Revenue Memorandum Circular (RMC) No. 8-2014 to General Professional Partnership (GPP) in relation to RMC No. 003-12

TO : All Internal Revenue Officers and Others Concerned

RMC No. 003-12 dated January 11, 2012 discussed the tax implications of GPP while RMC No. 8-2014 dated February 6, 2014 was issued requiring all individuals and entities claiming exemption to provide a copy of a valid, current and subsisting tax exemption certificate or ruling, thus failure on the part of taxpayer to present the said tax exemption certificate or ruling shall subject him to the payment of appropriate withholding taxes due on the transaction.

In this regard, it is hereby clarified that the requirement to present tax exemption certificate or ruling pursuant to RMC No. 8-2014 does not apply to GPPs. RMC No. 3-2012 sufficiently discussed that income payments made to a GPP in consideration for its professional services are not subject to income tax and consequently to withholding tax prescribed in Revenue Regulations No. 2-98, as amended.

All concerned are hereby enjoined to be guided accordingly and give this circular as wide a publicity as possible.

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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