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

BUREAU OF INTERNAL REVENUE
RECEIVED
JUN 10 2020
2:20 PM
RECORDS MGT. DIVISION

June 1, 2020

REVENUE MEMORANDUM CIRCULAR NO. 60-2020

SUBJECT : Obligations of Persons Conducting Business Transactions Through Any Forms of Electronic Media, and Notice to Unregistered Businesses

TO : All Revenue Officers, Employees and Others Concerned

This Circular is issued to give due notice to all persons doing business and earning income in any manner or form, specifically those who are into digital transactions through the use of any electronic platforms and media, and other digital means, to ensure that their businesses are registered pursuant to the provisions of Section 236 of the Tax Code, as amended, and that they are tax compliant. These shall include not only partner sellers/merchants, but also other stakeholders involved such as the payment gateways, delivery channels, internet service providers, and other facilitators.

In the registration of the business/es, please refer to the attached Annex A of this Circular for the basic guidelines. All those who will register their business activity and/or update their registration status not later than July 31, 2020 shall not be imposed with penalty for late registration. Likewise, they are encouraged to voluntarily declare their past transactions subject to pertinent taxes and pay the taxes due thereon, without corresponding penalty, when declared and paid on or before the said date. All those who will be found later doing business without complying with the registration/update requirements, and those who failed to declare past due taxes/unpaid taxes shall be imposed with the applicable penalties under the law, and existing revenue rules and regulations.

Further, the newly-registered business entities, including the existing registrants, are advised to comply with the provisions of the Tax Code, as amended, and other applicable tax revenue issuances, particularly on the following:

1. Issuance of registered Sales Invoice or Official Receipt for every sale of goods or services to clients/customers/buyers;
2. Keeping of registered Books of Accounts and other accounting records of business transactions;
3. Withholding of taxes, as applicable;
4. Filing of required tax returns; and
5. Payment of correct taxes due on time.

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

CAESAR R. DULAY
Commissioner of Internal Revenue

035362

Annex A
(RMC 40-2020)

BASIC REGISTRATION GUIDELINES

In general, the registration and its updates are done in the Revenue District Office (RDO) having jurisdiction over the place where the Head Office is located or over the place of residence of the individual taxpayer.

1. Persons doing business online with no TIN yet – Register business following existing policies in securing TIN and registration of business.
2. Persons doing business online who already have TINs but the business is not yet registered –
   a. Individual – whether the TIN was issued due to ONETT or employment, register the business, using BIR Form 1901, with the RDO having jurisdiction over place of business, if with physical establishment. Otherwise, with the RDO having jurisdiction over the place of residence. The concerned RDO shall effect the update of taxpayer classification (e.g., employee to sole proprietor, ONETT to sole proprietor); and include the business activity of online selling.
   b. Non-individual – Update business registration, using BIR Form 1905, details to include additional business activity (online selling).

The Certificate of Registration (COR) shall be issued to those engaged in business upon compliance with the requirements as follows:

Requirements	Individuals	Non-Individuals
1. Fill up Registration Form	BIR Form No. 1901 (2 originals)	BIR Form No. 1903 (2 originals)
2. Present any government-issued ID that is readable and untampered	e.g. Birth Certificate, Passport, Driver's License, etc.	As applicable: SEC Certificate of Incorporation; or SEC Certificate of Recording; or License to Do Business in the Philippines
3. Other documents required	DTI Certificate (if with business name)	Articles of Incorporation; or Articles of Partnership
4. Payments to the New Business Registrant Officer (NBRO) posted in the New Business Registrant Counter (NBRC)	Registration Fee (P500.00) and loose Documentary Stamp Tax for affixture to COR (P30.00)	Registration Fee (P500.00) and loose Documentary Stamp Tax for affixture to COR (P30.00)
5. Secure BIR Printed Receipts (BPR)/ BIR Printed Invoices (BPI) or the Authority To Print (ATP)	BPR/BPI – depending on the printing cost per RDO or ATP – own choice of printer from the list of accredited printers	BPR/BPI – depending on the printing cost per RDO or ATP – own choice of printer from the list of accredited printers

Upon completion of the above, the taxpayer shall receive, aside from the COR, a copy of the BIR-received Registration Form (1901 or 1903), Notice to Issue Receipt/Invoice (NIRI), BPR/BPI or ATP (per taxpayer's choice), and the proof of payment of registration fee.

BUREAU OF INTERNAL REVENUE
RECEIVED
JUN 10 2020
2:20 pm
RECORDS MGT. DIVISION