Republic of the Philippines
Department of Finance
BUREAU OF INTERNAL REVENUE

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September 05, 2022

REVENUE MEMORANDUM ORDER NO. 37-2022

SUBJECT : Amendments to Revenue Memorandum Order (RMO) No. 24-A-1974, and RMO No. 29-1994 as amended by RMO No. 43-2016 providing the policies and guidelines for the issuance of International Carriers Special Certificate.

TO: All Internal Revenue Officers and Others Concerned

I. OBJECTIVES.

This Order is being issued:

a) To streamline the registration and tax compliance of International Carrier in connection with its application for BIR International Carriers Special Certificate;

b) To amend Revenue Memorandum Order (RMO) No. 24-A-1974, RMO No. 29-1994 and RMO No. 43-2016;

c) To prescribe policies and guidelines in the online application of International Carriers Special Certificate and the electronic submission of required documents;

d) To prescribe guidelines for the collection and payment of the taxes due; and

e) To delegate the processing and release of International Carriers Special Certificate from the Office of the Commissioner to the Office of the Regional Director – Revenue Region No. 7A – Quezon City.

II. SCOPE AND COVERAGE

This Order covers International Carriers applying for International Carriers Special Certificate (hereinafter referred to as "ICSC applicants").

III. POLICIES AND GUIDELINES

A. REGISTRATION

1. **For new applicants** – ICSC Applicants shall register and secure Taxpayer Identification Number (TIN) online through the Bureau's Online Registration and

Update System (ORUS) at https://orus.bir.gov.ph or by visiting the Bureau's website at www.bir.gov.ph under the "eServices icon".

The ICSC Applicants shall upload scanned copies of the original documents:

a) Any Apostille official documentation issued by an authorized government body (e.g. government agency (tax authority) thereof, or a municipality)

that includes the name of the non-individual and the address of its principal office in the jurisdiction in which the non-individual was incorporated or organized (e.g. Articles of Incorporation, Certificate of Tax Residency);

b) Apostille Board Resolution/Secretary's Certificate (or equivalent); and

c) Any government-issued ID of the authorized representative and/or principal signatory.

For applicants with existing TIN –International Carriers shall use their existing TIN when applying for the International Carriers Special Certificate.

2. In case of system downtime or system unavailability of ORUS, the ICSC applicant shall register with Revenue District Office (RDO) No. 39 – South Quezon City through electronic submission of application using the New Business Registration (NewBizReg) Portal under the "eServices icon" or via email. The email address and subject shall be automatically displayed by the portal for ICSC applicant reference.

3. It shall be the responsibility of the Agent to register the ICSC applicant (principal) it represents and apply for the latter's TIN and ensure that the ICSC applicant does not have an existing TIN. It shall be the responsibility of the Agent or new Agent to update the registration information of the ICSC applicant and apply for the cancellation of the multiple TINs of the ICSC applicant.

4. During registration, the designation of email address is mandatory, and such email addresses should be of the principal or ICSC applicant's official and permanent email address. The designated permanent e-mail address shall be the official e-mail address of the registered individual or non-individual taxpayers and not the e-mail address of the authorized representative or Agent. Notices, letters, and other processes of the Bureau may be sent through the designated permanent email address.

5. In case of change of Agent, the new Agent shall update its principal's registration information as its new Agent. The Agent shall also ensure that its principal does not have a multiple TIN.

B. TAX COMPLIANCE

Taxes to be paid:

1. The following taxes shall be paid by the ICSC Applicant:

a) **INCOME TAX** of two and one-half percent (2½ %) of the Gross Philippine Billings imposed under Section 28(A)(3)(a) and (b) of the NIRC, as amended, unless it is subject to a preferential rate or exemption on the basis of an applicable

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tax treaty or international agreement to which the Philippines is a signatory or on the basis of reciprocity, copies of the tax treaties entered into by the Philippines are found in the BIR website under the topic "Double Tax Agreements"; and

b) **PERCENTAGE TAX** equivalent to three percent (3%) of the gross receipts pursuant to Section 118 of the NIRC, as amended.

The Gross Philippine Billings/Gross Receipts shall be computed using the exchange rate at the time of payment.

Time of Filing and BIR Forms to be used:

1. The agent shall file the pertinent payment forms for the ICSC applicant using the TIN and name of such ICSC applicant. The agent should not use its own TIN in filing the payment forms of the ICSC applicant. It shall be the duty of agent to ensure the timely filing and payments of the principal.

2. Prior to the application for International Carriers Special Certificate, the Income Tax and Percentage Tax shall be paid separately using BIR Form No. 0605[1] for each tax type, indicating in the Alphanumeric Tax Code (ATC) field the following information:

For Income Tax	–	ATC code is "**IC080**" (See ANNEX A)
For Percentage Tax	–	ATC code is "**PT041**" (See ANNEX B)
For Certification Fee	–	ATC code is "**MC200**"
For P30 DST	–	ATC code is "**DS010**"

The ICSC applicant shall indicate the transaction date as the return period date in the form.

3. ICSC applicant may prepare and file the BIR Form No. 0605 through the offline eBIRForms package, which is downloadable from the following websites: www.bir.gov.ph or www.knowyourtaxes.ph/ebirforms

4. For every filing of payment form, the designated email address should be of the ICSC applicant official and permanent email address registered with the BIR's registration system and not the e-mail address of the authorized representative or Agent. In case of change of email address of the principal, the Agent shall update immediately the permanent email address of the principal with the Bureau.

Payment Facilities and Validation of Payment:

1. Payment of the applicable taxes shall be paid using any of the following electronic payment[2]:

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[1] These payments shall be treated as advance payments which can be credited to subsequent filing of tax returns as may be required by pertinent revenue issuances.
[2] See Revenue Memorandum Circular No. 4-2021 – Guidelines in the Filing of Tax Returns Including the Required Attachments and Payment of Internal Revenue Taxes

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(a) Development Bank of the Philippines' (DBP) pay Tax online (for holders or Visa/Mastercard Credit Card and/or BancNet ATM/Debit Card);

(b) Land Bank of the Philippines' (LBP) Link.BizPortal (for taxpayers who have ATM account with LBP and/or holders of BancNet ATM/Debit/prepaid card and for taxpayers utilizing PCHC PayGate or PESONet facility for depositors of RCBC, Robinsons Bank, Union Bank, BPI, PSBank, and Asia United Bank);

(c) Union Bank of the Philippines' Online/The Portal Payment Facilities (for taxpayer who has an account with UBP) and UPAY via InstaPay (for individual Non-UnionBank Accountholders)

(d) Tax software Provider/Taxpayer Agent (GCash/PayMaya/MyEG)

2. ICSC applicant which shall avail of the electronic payment (ePay) may access the abovementioned ePayment Channels of Authorized Agents Banks (AABs) by directly accessing the AABs' payment portal or through the BIR's website at www.bir.gov.ph by clicking the "ePay" icon.

3. ICSC applicants/holders of BancNet ATM Card should register their account with BancNet in order to avail the bank's online payment facility. Taxpayer who has an account with the following BancNet participating banks can use their ATM Card in paying taxes online with LBP's Link.BizPortal and DBP's Pay Tax Online:

a) Asia United Bank
b) BPI Direct BanKo
c) CTBC Bank
d) Citystate Savings Bank
e) Development Bank of Philippines
f) Enterprise Bank
g) Entrepreneur Bank
h) Equicom Savings Bank
i) MASS SPECC
j) Philippine Band of Communications
k) Phil. Postal Savings Bank
l) Philippine Veterans Bank
m) Philtrust Bank
n) Sterling Bank of Asia
o) Sun Savings Bank
p) Tiaong Bank

4. ICSC applicant shall bear any convenience fee that may be charged by banks and/or mobile companies for using their online payment facilities.

5. Upon successful payment, a confirmation of payment will be sent through the email of the ICSC applicant with corresponding transaction number from the payment channel, to be declared during the online application or in BIR Form No. 1948.

C. APPLICATION FOR BIR INTERNATIONAL CARRIERS SPECIAL CERTIFICATE (ICSC)

1. The International Carrier Special Certificate shall only be issued upon payment of 3% common carrier's tax (Percentage Tax) and 2.5% income tax (Gross Philippine Billings) unless the preferential rate is used pursuant to Sections 118(B), and 28(A)(3)(b) respectively, of the 1997 Tax Code, as amended.

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2. The Regional Director – Revenue Region No. 7A – Quezon City shall, upon application (ANNEX C) and evaluation of documentary requirements (ANNEX D), issue the International Carriers Special Certificate.

3. The following are the documentary requirements to be submitted before the issuance of the International Carriers Special Certificate:

   (a) Online application for BIR International Carrier Special Certificate or duly filled-up BIR Form No. 1948 (ANNEX C);
   (b) Copy of the Vessel/Ship Registration;
   (c) Copy of the charter contract (in case this is unavailable, please include the reasons for its unavailability);
   (d) Fixture note with signatory of owner and charterer;
   (e) BIR Form 0605 of the 2.5% or 1.5% income tax, as the case may be, and 3% common carrier's tax, together with payment details/receipt duly received and validated by the BIR Authorized Agent Bank (AAB); in case of ePayment, scanned copy of confirmation email and payment transaction number.
   (f) Proof of payment of P100 certification fee and proof of payment of P30 loose Documentary Stamp Tax or purchase two (2) loose documentary stamps per application.

4. The P100 certification fee and P30 loose DST shall be filed electronically using BIR Form No. 0605 through eBIRForms Package and pay online through BIR ePayment Channels separately.

5. For the ePayment of loose DST, constructive affixing of DST on the Certificate shall be done by the concerned office by stamping "DST Paid Online" including the Payment Transaction Number and Date of Payment, at the lower portion of the Certificate.

6. Online application for International Carrier Special Certificate shall be made through the BIR website at https://www.bir.gov.ph under "eServices" icon and by clicking the "eICSC" icon. An application reference number shall be received upon successful submission.

7. The documentary requirements shall be electronically filed thru the BIR ICSC Centralized email address: icsc_1948@bir.gov.ph with "Application for ICSC [REF. NO. _____]" as email subject line format.

8. All the required documentary requirements shall be prepared and scanned in Portable Document Format (PDF) copy and compressed into one (1) .zip file which shall not exceed 10MB file size.

Office of the Regional Director

1. The issuance of International Carrier Special Certificates is hereby delegated to the Office of the Regional Director – Revenue Region No. 7A – Quezon City.

2. The Regional Director shall sign the above certificates to be submitted by the International Carriers to the Bureau of Customs.

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3. If circumstances require like non viewing of payments within the given processing time, immediate post-payment verification shall be done by the Office of the Regional Director and shall contact the Agent of the ICSC applicant in case of discrepancies or issues on payment or submitted proof of payments and/or documents.

4. The Office of the Regional Director or its delegated office or division shall compile, collate, and update a record of all international carriers, their agents or representatives; and exercise such other functions as necessary to ensure the efficient and effective collection of Income Tax, Percentage Tax and other applicable taxes.

5. The Office of the Regional Director shall submit a quarterly and annual reports for the period, every 10th day of the month following the quarter and January 10th respectively, on the list of issued certificates to International Carriers and collections from the payment of taxes of International Carriers. Reports shall be submitted to the Office of the Deputy Commissioner Legal Group.

IV. REPEALING CLAUSE

All revenue issuances inconsistent herewith are hereby repealed or modified.

V. EFFECTIVITY

This Order shall take effect immediately.

LILIA CATRIS GUILLERMO
Commissioner of Internal Revenue
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