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

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REVENUE DIVISION

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REVENUE REGULATIONS NO. 14-2023

SUBJECT : Further Amending the Pertinent Provisions of Revenue Regulations No. 2-98, as Amended, to Impose Creditable Withholding Tax on Certain Income Payments by Joint Ventures/Consortiums

TO : All Internal Revenue Officials and Employees and Others Concerned

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SECTION 1. SCOPE. – Pursuant to the provisions of Sections 244 and 245 of the National Internal Revenue Code of 1997, as amended, these Regulations are hereby promulgated to further implement Section 57 (B) of the said Code and subsequently amend Revenue Regulations No. 2-98 by adding items (V) and (W) imposing creditable withholding tax on certain income payments by joint ventures/consortiums.

SECTION 2. AMENDMENTS. – The pertinent provisions of Section 2.57.2 of Revenue Regulations No. 2-98, as amended, is hereby further amended to read as follows:

"**Sec. 2.57.2.** ***Income Payments Subject to Creditable Withholding Tax and Rates Prescribed Thereon.*** Except as herein otherwise provided, there shall be withheld a creditable income tax at the rates herein specified for each class of payee from the following items of income payments to persons residing in the Philippines:

xxx xxx xxx

(V) **Income payments made by joint ventures/consortiums.** – Income payments made by joint ventures, whether incorporated or not, taxable or non-taxable, to their local/resident supplier of goods and services, shall be subjected to the following withholding tax rates:

Supplier of goods — One percent (1 %)
Supplier of services — Two percent (2%)

(W) **Distributive share of co-venturers/members from the net income of the joint venture/consortium not taxable as corporation.** – On the share of each co-venturer/member from the net income of the joint venture/consortium not taxable as corporation prior to actual or constructive distribution thereof – Fifteen percent (15%)

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SECTION 3. REPEALING CLAUSE. – All rules and regulations and parts thereof which are inconsistent with the provisions of these Regulations are hereby amended accordingly.

SECTION 4. EFFECTIVITY. – These Regulations shall take effect fifteen (15) days after publication in a newspaper of general circulation in the Philippines.

BENJAMIN E. DIOKNO
Secretary of Finance

OCT 31 2023

Recommending approval:

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue
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