REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

November 25, 2010

REVENUE REGULATIONS No. 15-2010

SUBJECT : Amending Certain Provisions of Revenue Regulations No. 21-2002, as Amended, Implementing Section 6 (H) of the Tax Code of 1997, Authorizing the Commissioner of Internal Revenue to Prescribe Additional Procedural and/or Documentary Requirements in Connection with the Preparation and Submission of Financial Statements Accompanying the Tax Returns

TO : All Internal Revenue Officers and Others Concerned

SECTION 1. Pursuant to Section 244 of the Tax Code of 1997, as amended, in relation to Section (H) of the Same Code, these Regulations are hereby promulgated to amend certain provisions of Revenue Regulations No. 21-2002 prescribing the manner of compliance with any documentary and/or procedural requirements in connection with the preparation and submission of financial statements accompanying the tax returns.

SECTION 2. Section 2 of RR No. 21-02, as amended, is hereby further amended to insert the following to paragraph (e) thereof:

> "In addition to the disclosures mandated under the Philippine Financial Reporting Standards, and such other standards and/or conventions as may heretofore be adopted, the Notes to Financial Statements shall include information on taxes, duties and license fees paid or accrued during the taxable year, particularly the following:
>
> 1. The amount of VAT output tax declared during the year and the account title and amount/s upon which the same was based. If there are zero-rated sales/receipts and/or exempt sales/receipts, a statement to that effect and the legal basis therefor;
>
> 2. The amount of VAT Input taxes claimed broken down into:
>
> a. Beginning of the year;

b. Current year's domestic purchases/payments for:
    i. Goods for resale/manufacture or further processing
    ii. Goods other than for resale or manufacture
    iii. Capital goods subject to amortization
    iv. Capital goods not subject to amortization
    v. Services lodged under cost of goods sold
    vi. Services lodged under other accounts;

c. Claims for tax credit/refund and other adjustments; and
d. Balance at the end of the year.

3. The landed cost of imports and the amount of customs duties and tariff fees paid or accrued thereon;

4. The amount of excise tax/es, classified per major product category, i.e., tobacco products, alcohol products, automobiles, minerals, oil and petroleum, etc. paid on-
    a. Locally produced excisable items, and
    b. Imported excisable items.

5. Documentary stamp tax (DST) on loan instruments, shares of stock and other transactions subject thereto;

6. All other taxes, local and national, including real estate taxes, license and permit fees lodged under the Taxes and Licenses account both under the Cost of Sales and Operating Expense accounts;

7. The amount of withholding taxes categorized into
    i. Tax on compensation and benefits
    ii. Creditable withholding tax/es
    iii. Final withholding tax/es

8. Periods covered and amount/s of deficiency tax assessments, whether protested or not;

9. Tax cases, and amounts involved, under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR."

SECTION 3. Section 6 of RR 21-02 is hereby amended to read as follows:

> "SECTION 6. Repealing Clause. - all existing rules, regulations and other issuances or potions thereof inconsistent with the provisions of these Regulations are hereby modified, repealed or revoked accordingly, including the submission of a separate Schedule of Taxes and Licenses."

SECTION 4. Effectivity Clause. - These Regulations shall take effect fifteen (15) days following complete publication in a newspaper of general circulation in the Philippines.

(Original Signed)
CESAR V. PURISIMA
Secretary of Finance

Recommending Approval:

(Original Signed)
KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

A-1