REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
National Office Building
Quezon City

BUREAU OF INTERNAL REVENUE
RECEIVED
4:15pm
APR 11 2024
RECORDS MGT. DIVISION

MAR 22 2024

REVENUE REGULATIONS NO. 4-2024

SUBJECT : Implementing Sections 22, 34, 51(A)(2)(e), 51(B), 51(D), 56(A)(1), 58(A), 58(C), 58(E), 77, 81, 90, 91, 103, 114, 128, 200 and 248 of the National Internal Revenue Code of 1997, as Amended by Republic Act No. 11976, Otherwise Known as the "Ease of Paying Taxes Act", on the Filing of Tax Returns and Payment of Taxes and Other Matters Affecting the Declaration of Taxable Income

TO : All Internal Officers, Employees and Others Concerned

SECTION 1. ***Scope.*** - Pursuant to the provisions of Sections 244 and 245 of the National Internal Revenue Code of 1997 (Tax Code), as amended, in relation to Section 47 of Republic Act (RA) No. 11976, Otherwise Known as the "Ease of Paying Taxes Act" (EOPT), these Regulations are hereby promulgated to implement Sections 22, 34, 51(A)(2)(e), 51(B), 51(D), 56(A)(1), 58(A), 58(C), 58(E), 77, 81, 90, 91, 103, 114, 128, 200 and 248 of the Tax Code on:

(a) filing of tax returns and payment of taxes to be made electronically or manually, regardless of venue or jurisdiction of the Revenue District Office (RDO);

(b) removal of civil penalty in case of filing of return at the wrong venue;

(c) non-filing of income tax return by an Overseas Contract Worker (OCW) or Overseas Filipino Worker (OFW);

(d) removal of additional requirements for deductibility of certain payments; and

(e) withholding of tax at source and declaration of income of recipient.

SECTION 2. ***Definition of Terms.*** – When used in these Revenue Regulations, the following terms shall have the following meaning:

(A) *"Filing of Return"* shall refer to the act of accomplishing and submitting the prescribed tax return, electronically or manually, to the Bureau of Internal Revenue (BIR), or through any Authorized Agent Bank (AAB) or Authorized Tax Software Provider (ATSP) for specific tax returns as approved by BIR.

(B) *"Payment of Tax or Remittance of Tax"* shall refer to the act of delivering the amount of tax due or withheld, either electronically or manually, to the BIR, or through any AAB or ATSP for specific tax returns as approved by BIR.

(C) *"Authorized Agent Banks (AABs)"* shall refer to financial institutions that are accredited to collect the payment of internal revenue taxes on BIR's behalf.

(D) *"Revenue Collection Officers (RCOs)"* shall refer to the BIR officers tasked to accept tax payments from taxpayers under certain limitations and remit the tax collected within the prescribed period.

(E) *"Authorized Tax Software Provider (ATSP)"* shall refer to an individual or organization whose business is to render electronic tax filing and/or tax payment services to taxpayer-clients by offering third-party solutions tested and certified by BIR, that is, an electronic tax return filing and/or payment solution.

(F) *"Overseas Filipino Worker (OFW)"* refers to a Filipino who is to be engaged, is engaged, or has been engaged in remunerated activity in a country of which he or she is not an immigrant, citizen or permanent resident or is not awaiting naturalization, recognition or admission, whether land-based or sea-based regardless of status; excluding a Filipino engaged under a government-recognized exchange visitor program for cultural and educational purposes. For purposes of this provision, a person engaged in remunerated activity covers a person who has been contracted for overseas employment but has yet to leave the Philippines, regardless of status and includes *"Overseas Contract Workers"* (OCWs). The term OFW is synonymous to the term *"Migrant Worker"* pursuant to Section 3[G] of RA No. 11641 or the *"Department of Migrant Workers Act"*.

SECTION 3. ***Modes of Filing of Tax Returns and Payment of Internal Revenue Taxes.*** – The filing of tax returns shall be done **electronically** in any of the available electronic platforms. However, in case of unavailability of the electronic platforms, manual filing of tax returns may be allowed.

For tax payments, the same shall be made either **electronically** in any of the available electronic platforms or **manually** to any AABs and RCOs.

The terms "electronically" and "manually" means -

A. **Electronically** – when the filing of tax return and payment of tax is done through electronic means using the BIR's electronic platform (Electronic Filing and Payment System/eBIRForms), ePayment Channels of AABs (e.g. LinkBiz, PesoNet, UPay, MyEG, etc.) and ATSP (for specific returns as certified by BIR).

B. **Manually** – when the tax return is accomplished by writing or through the aid of electronic equipment but the act of submission and payment is done

BUREAU OF INTERNAL REVENUE
RECEIVED
4:15 PM
APR 11 2024
RECORDS MGT. DIVISION

through over-the-counter with any AAB or RCO of the BIR. The RCO can accept payment in cash up to P 20,000.00, while for check payment, regardless of the amount.

In the case of filing of Income Tax Return (ITR) by married individuals, the husband and wife, whether citizens, resident or nonresident aliens, who are both self-employed, either engaged in business or practice of profession, shall file the said return for the taxable year jointly. However, where it is impracticable for the spouses to file one return, such as in the case of spouses whose businesses are registered under two different RDOs, each spouse shall file separately their respective ITRs.

AABs and RCOs shall only accept tax payments manually after the taxpayers have already **electronically** filed their tax returns, unless an advisory is issued allowing manual filing.

SECTION 4. ***Removal of Civil Penalty in Case of Filing of Return at the Wrong Venue.*** – With the repeal of Section 248(A)(2) of Tax Code, as amended, under the EOPT, the civil penalty of 25% of the amount due in case of filing a return with an internal revenue officer other than those with whom the return is required to be filed, shall no longer be imposed.

SECTION 5. Individuals Not Required to File Income Tax Return. – Section 9 of Revenue Regulations No. 8-2018 is hereby amended to read as follows:

> ***"SECTION 9. INDIVIDUALS NOT REQUIRED TO FILE INCOME TAX RETURN***
>
> *A. An individual earning purely compensation income whose taxable income does not exceed Two Hundred Fifty Thousand pesos (P250,000.00)- the Certified List of Employees Qualified for Substituted Filing of Income Tax Return, reflecting the amount of income payment, the tax due and tax withheld, if any, filed by the respective employers, duly stamped "Received" by the Bureau, shall be tantamount to the substituted filing of income tax returns by said employees;*
>
> *B. An individual whose income tax has been correctly withheld by his employer, provided that such individual has only one employer for the taxable year – the Certified List of Employees Qualified for Substituted Filing of Income Tax Return, reflecting the amount of income payment, the tax due and tax withheld, if any, filed by the respective employers, duly stamped "Received" by the Bureau shall be tantamount to the substituted filing of income tax returns by said employees;*
>
> *C. An individual whose sole income has been subjected to final withholding tax;*

BUREAU OF INTERNAL REVENUE
RECEIVED
4:30 pm
APR 11 2024
RECORDS MGT. DIVISION

D. *A minimum wage earner as defined in these regulations - The Certified List of Employees Qualified for Substituted Filing of Income Tax Return, reflecting the amount of income payment, the tax due and tax withheld, if any, filed by the respective employers, duly stamped "Received" by the Bureau shall be tantamount to the substituted filing of income tax returns by said employees; and*

E. *An individual citizen of the Philippines who is working and deriving income solely from abroad as an "Overseas Contract Worker (OCW)" or "Overseas Filipino Worker" as defined under Section 3(G) of RA No. 11641, or the "Department of Migrant Workers Act".*

In all cases, all individuals deriving compensation income, regardless of the amount, from two (2) or more concurrent or successive employers at any time during the taxable year, are not qualified for substituted filing. Thus, they are still required to file a return."

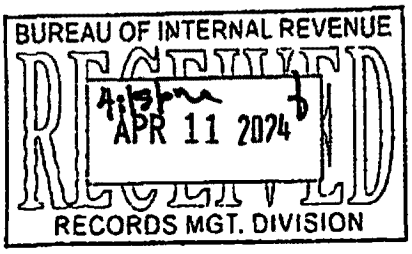
SECTION 6. ***Removal of the Additional Requirement for Deductibility of Certain Payments.*** – The entire provision of Section 34(K) of the Tax Code, as amended, on "Additional Requirements for Deductibility of Certain Income Payments" is repealed by EOPT. Therefore, upon the effectivity of the EOPT, Section 2.58.5 of RR No. 2-98, as amended, is hereby repealed: *Provided*, however, that the obligation to withhold tax on certain income payments and remit the same remains.

SECTION 7. ***Withholding of Tax at Source.*** Section 2.57.4 of RR No. 2-98, as amended, shall now read as follows:

"Sec. 2.57.4. Time of Withholding. - The obligation of the payor to deduct and withhold the tax under Section 2.57 of these Regulations arises at the time an income has become payable. The term "payable" refers to the date the obligation becomes due, demandable or legally enforceable. The obligation of the payor to deduct and withhold the tax arises at the time an income payment is accrued or recorded as an expense or asset, whichever is applicable, in the payor's books, or at the issuance by the seller of the sales invoice or other adequate document to support such payable, whichever comes first."

SECTION 8. ***Income of Recipient.*** – Income upon which any creditable tax is required to be withheld at source under Section 57 of the Tax Code, as amended, shall be included in the return of its recipient but the excess of the amount of tax so withheld over the tax due on his return shall be refunded subject to the provision of Section 204 of the same Code.

SECTION 9. ***Separability Clause.*** – If any of the provisions of these Regulations is subsequently declared invalid or unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.



SECTION 10. ***Repealing Clause.*** — Any other issuances and rules and regulations, issuances or parts thereof which are contrary to or inconsistent with the provisions of these Regulations are hereby repealed, amended, or modified accordingly.

SECTION 11. ***Effectivity.*** — These Regulations shall take effect fifteen (15) days following its publication in the Official Gazette or the BIR official website, whichever comes first.

RALPH G. RECTO
Secretary of Finance
APR 08 2024

Recommending Approval:

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

BUREAU OF INTERNAL REVENUE
RECEIVED
4:15 pm
APR 11 2024
RECORDS MGT. DIVISION