

REPUBLIKA NG PILIPINAS
KAGAWARAN NG PANANALAPI
KAWANIHAN NG RENTAS INTERNAS

February 23, 2005

REVENUE REGULATIONS NO. 8-2005

SUBJECT: Amending further pertinent provisions of Revenue Regulations No.2-98, as last amended by Revenue Regulations 3-2004, as Amended, providing for the inclusion of Income Payments subject to Creditable Withholding Tax under Section 2.57.2(U) on Manila Electric Company (MERALCO) Refund arising from Supreme Court Case G.R. No. 14814 of April 9, 2003 to Customers under Phase IV as approved by Energy Regulatory Commission (ERC).

TO: All Internal Revenue Officers and Others Concerned

SECTION 1. SCOPE. – Pursuant to the provisions of Section 244 of the National Internal Revenue Code of 1997, in relation to Sections 57(B) of Republic Act No. 8424 and Sections 2.57.2 of Revenue Regulations Nos. 2-98, as amended, these Regulations are hereby promulgated to further amend pertinent provisions, providing for the inclusion of Income payments Subject to Creditable Withholding Tax under Section 2.57.1 (U) on MERALCO Refund arising from Supreme Court Case G.R. No. 14814 of April 9, 2003 to customers under Phase IV as approved by ERC.

SECTION 2. INCOME PAYMENTS SUBJECT TO CREDITABLE WITHHOLDING TAX. - Sec. 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 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

XXXX

XXXX

(U) MERALCO Refund arising from Supreme Court Case

G.R. No.14814 of April 9, 2003 to customers under Phase IV as approved by ERC – On gross amount of refund given by MERALCO to Customers with active contracts as classified by MERALCO – Twenty Five Percent (25%); To Customers with terminated contracts – Thirty Two Percent (32%);

SECTION 3. RETURNS AND PAYMENT OF TAXES WITHHELD AT SOURCE – Sec. 2.58 of Revenue Regulations No. 2-98, as amended, is hereby further amended to read as follows:

“Sec. 2.58. RETURNS AND PAYMENT OF TAXES WITHHELD AT SOURCE.

(A.) Monthly return and payment of taxes withheld at source –

(1) WHERE TO FILE –

xxx xxx xxx

(2) WHEN TO FILE –

xxx xxx xxx

MERALCO shall submit a Monthly Alphalist of Payees (MAP) Annex “A” for each calendar quarter, which shall be electronically attached to the monthly remittance return of the calendar quarter (e.g. BIR Form 1601-E for the quarter ending March with attached MAP for January, February, March). It shall contain an alphalist of customers from whom taxes have been withheld for the return period and in whose behalf, the taxes were remitted under BIR Form No. 1601-E showing the total amount of income and taxes withheld and remitted.

XXX	XXX	XXX
XXX	XXX	XXX

SECTION 4. REPEALING CLAUSE. – The provisions of any revenue regulations, revenue memorandum orders or circulars or any other issuance inconsistent herewith are hereby repealed, amended, or modified accordingly.

SECTION 5. EFFECTIVITY. – These regulations shall take effect fifteen (15) days following publication in a newspaper of general circulation.

(Original Signed)
CESAR V. PURISIMA
Secretary of Finance

Recommending Approval:

(Original Signed)
GUILLERMO L. PARAYNO, JR.
Commissioner of Internal Revenue