

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

December 17, 2013

REVENUE REGULATIONS NO. 1-2014

SUBJECT : Amending the Provisions of Revenue Regulations (RR) No. 2-98, as Further Amended by RR No. 10-2008, Specifically on the Submission of Alphabetical List of Employees/Payees of Income Payments

TO : All Internal Revenue Officials and Others Concerned

BACKGROUND

These Regulations are hereby issued for purposes of ensuring that information on all income payments paid by employers/payors, whether or not subject to the withholding tax except on cases prescribed under existing international agreements, treaties, laws and revenue regulations, regardless on the number of employees and/or payees, are monitored by and captured in the taxpayer database of the Bureau of Internal Revenue (BIR), with the end in view of establishing simulation model, formulating analytical framework for policy analysis, and institutionalizing appropriate enforcement activities.

SECTION 1. SCOPE. – Pursuant to the provisions of Section 244, in relation to Section 245, of the National Internal Revenue Code (NIRC) of 1997, as amended, these Regulations are hereby promulgated to amend the specific provisions of Section 2.83.3 of RR No. 2-98, as further amended by RR 10-2008, on the submission of alphabetical list of employees/payees.

SEC. 2. AMENDATORY PROVISIONS. – The pertinent provisions of Section 2.83.3 of Revenue Regulations No. 10-2008 is hereby further amended and shall be read as follows:

“xxx”

“Section 2.83.3 Requirement for list of payees – All withholding agents shall, regardless of the number of employees and payees, whether the employees/payees are exempt or not, submit an alphabetical list of employees and list of payees on income payments subject to creditable and final withholding taxes which are required to be attached as integral part of the Annual Information Returns (BIR Form No. 1604CF/1604E) and Monthly Remittance Returns (BIR Form No. 1601C, etc.), under the following modes:

- (1) As attachment in the Electronic Filing and Payment System (eFPS);
- (2) Through Electronic Submission using the BIR’s website address at esubmission@bir.gov.ph; and
- (3) Through Electronic Mail (email) at dedicated BIR addresses using the prescribed CSV data file format, the details of which shall be issued in a separate revenue issuance.”

"In cases where any withholding agent does not have its own internet facility or unavailability of commercial establishments with internet connection within the location of the withholding agent, the alphalist prescribed herein may be electronically mailed (e-mail) thru the e-lounge facility of the nearest revenue district office or revenue region of the BIR."

"The submission of the herein prescribed alphalist where the income payments and taxes withheld are lumped into one single amount (e.g. "Various employees", "Various payees", "PCD nominees", "Others", etc.) shall not be allowed. The submission thereof, including any alphalist that that does not conform with the prescribed format thereby resulting to the unsuccessful uploading into the BIR system shall be deemed not as received and shall not qualify as a deductible expense for income tax purposes."

"Accordingly, the manual submission of the alphabetical lists containing less than ten (10) employees/payees by withholding agents under Annual Information Returns BIR Form No. 1604CF and BIR No. 1604E shall be immediately discontinued beginning January 31, 2014 and March 1, 2014, respectively, and every year thereafter."

SEC. 3. PENALTIES. – Any violation of these Regulations shall be subject to the corresponding penalties under the pertinent provisions of the NIRC of 1997, as amended, and applicable regulations.

SEC. 4. SEPARABILITY CLAUSE. - If any provision of these Regulations is declared invalid by a competent court, the remainder of these Regulations or any provision not affected by such declaration of invalidity shall remain in force and effect.

SEC. 5. REPEALING CLAUSE. – The provisions of any existing regulations, rulings or orders, or portions thereof which are inconsistent with the provisions of these Regulations are hereby revoked, repealed or amended accordingly.

SEC. 6. EFFECTIVITY. – These Regulations shall take effect fifteen (15) days immediately following publication in leading newspaper of general circulation.

(Original Signed)
CESAR V. PURISIMA
Secretary of Finance

Recommending Approval:

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