

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

January 29, 2004

**REVENUE MEMORANDUM ORDER NO. 3-2004**

SUBJECT : **Creation and Modification of Alphanumeric Tax Code (ATC) of Selected Revenue Sources Subject to Withholding Taxes**

TO : **All Collection Agents, Revenue District Officers and Other Internal Revenue Officers Concerned**

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**L Objective :**

To facilitate the proper identification and monitoring of Withholding Taxes pursuant to Revenue Regulations No. 30-2003 and for Integrated Tax System (ITS) purposes, the following ATCs are hereby modified/created:

<b>KIND OF TAXES</b>		<b>ISSUANCE/ LEGAL BASIS/ REASONS</b>	<b>ATC</b>
<b>Income Payment Subject to Creditable Withholding Taxes</b>			
<b>Existing Description</b>	<b>New Description</b>		
Professionals (lawyers, CPAs, engineers, etc)	Professionals (lawyers, CPAs, engineers, etc) - If the current year's gross income is ₱720,000 and below (10%) - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30- 2003 Sec. 3 (A) (1)	WI010  WI011
Professional talent fees paid to juridical persons (5%)	Professional talent fees paid to juridical persons - If the current year's gross income is ₱720,000 and below (10%) - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3 (B)	WC010  WC011

KIND OF TAXES		ISSUANCE/ LEGAL BASIS/ REASONS	ATC
<b>Income Payment Subject to Creditable Withholding Taxes</b>			
Existing Description	New Description		
Professional entertainers;  - If the current year's gross income exceeds ₦720,000 (20%)	Professional entertainers such as, but not limited to, actors and actresses, singers, lyricist, composers and emcees  - If the currents year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3(A) (2)	WI021
Professional athletes including basketball players, pelotaris and jockeys  - If the current year's gross income exceeds ₦720,000 (20%)	Professional athletes including basketball players, pelotaris and jockeys  - If the current year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (3)	WI031
Movie, stage, radio, television and musical directors  - If the current year's gross income exceeds ₦720,000 (20%)	Movie, stage, radio, television and musical directors and producers  - If the current year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (4)	WI041
Insurance agents and insurance adjusters (10%)	Insurance agents and insurance adjusters  - If the current year's gross income is ₦720,000 and below (10%)  - If the current year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (5)	WI070  WI071
Management and technical consultants (10%)	Management and technical consultants  - If the current year's gross income is ₦720,000 and below (10%)  - If the current year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (6)	WI050  WI051
Business and Bookkeeping agents and agencies (10%)	Business and Bookkeeping agents and agencies  - If the current year's gross income is ₦720,000 and below (10%)  - If the current year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (7)	WI060  WI061

KIND OF TAXES		ISSUANCE/ LEGAL BASIS/ REASONS	ATC
<b>Income Payment Subject to Creditable Withholding Taxes</b>			
Existing Description	New Description		
Other recipient of talent fees - If the current year's gross income exceeds ₦720,000 (20%)	Other recipient of talent fees - If the current year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (8)	WI081
Fees of directors who are not employees of the company (10%)	Fees of directors who are not employees of the company - If the current year's gross income is ₦720,000 and below (10%) - If the current year's gross income exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (9)	WI090 WI091
Payment to partners in general professional partnerships (10%)	Payment to partners in general professional partnerships - If the current year's income payments for the partner is ₦720,000 and below (10%) - If the current year's income payments for the partner exceed ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (H)	WI52 WI153
Payments for medical/ dental/ veterinary services thru Hospitals/Clinics/Health Maintenance Organizations , including direct payments to service providers (10%)	Payments for medical/ dental/ veterinary services thru Hospitals/Clinics/Health Maintenance Organizations , including direct payments to service providers - If the current year's income payments for the medical/dental/ veterinary services is ₦720,000 and below (10%) - If the current year's income payments for medical/dental/ veterinary services exceeds ₦720,000 (15%)	RR No. 30-2003 Sec. 3 (I)	WI151 WI150

KIND OF TAXES		ISSUANCE/ LEGAL BASIS/ REASONS	ATC
<b>Income Payment Subject to Creditable Withholding Taxes</b>			
Existing Description	New Description		
Income payments made by the government to its local/resident suppliers of goods and services (i) Individual 2%	Income payments made by the government to its local/resident suppliers of goods and services (i) Individual <ul style="list-style-type: none"><li>• Supplier of Goods 1%</li><li>• Supplier of Services 2%</li></ul>	RR No. 30-2003 Sec. 3 (N)	WI640
(ii) Corporate 2%	(ii) Corporate <ul style="list-style-type: none"><li>• Supplier of Goods 1%</li><li>• Supplier of Services 2%</li></ul>		WI157
			WC640
			WC157

**II. Repealing Clause :**

This Revenue Memorandum Order revises portions of all other issuances inconsistent herewith.

**III. Effectivity :**

This Revenue Memorandum Order shall take effect immediately.

(Original Signed)  
**GUILLEMMO L. PARAYNO, Jr.**  
 Commissioner of Internal Revenue