



Bringing In Revenues
for Nation-Building

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



FEB 25 2025

REVENUE REGULATIONS NO. 005-2025

SUBJECT : Amending Revenue Regulations No. 2-98 Relative to the Withholding Tax Rates on Certain Income Payments Subject to Creditable Withholding Tax Pursuant to Section 57 of the National Internal Revenue Code of 1997, as Amended by Republic Act No. 12066

TO : All Internal Revenue Officials, Employees and Others Concerned

SECTION 1. SCOPE. – Pursuant to Sections 244 and 245 of the National Internal Revenue Code of 1997, as amended (Tax Code), in relation to Sections 5 and 32 of Republic Act (RA) No. 12066, these Regulations are hereby promulgated to further amend Section 2.57.2 of Revenue Regulations (RR) No. 2-98, as amended, by revising the withholding tax rates and adjusting the basis of certain income payments.

SECTION 2. AMENDATORY PROVISIONS. – Section 2.57.2 (H) and (X) of RR No. 2-98, as renumbered and amended by RR No. 11-18 and RR No. 16-23, respectively, are hereby further amended to read as follows:

"Sec. 2.57.2. Income payments subject to creditable withholding tax rates prescribed thereon. –

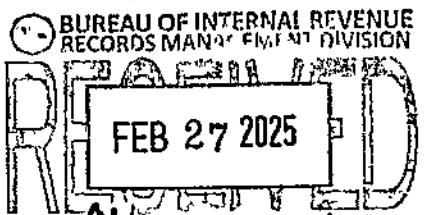
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(H) Certain income payments made by credit card companies – On the gross amounts paid by any credit card company in the Philippines to any business entity whether a natural or juridical person, representing the sales of goods/services made by the aforesaid business entity to cardholders – One-half percent (1/2%).

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(X) Remittances of Electronic Marketplace Operators and Digital Financial Services Providers to Merchants – On the gross remittances by e-marketplace operators and digital financial services providers to the sellers/merchants for the goods or services sold/paid through their platform/facility – One-half percent (1/2%).

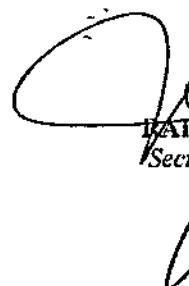
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SECTION 3. SEPARABILITY CLAUSE. – If any of the provisions of these Regulations is subsequently declared invalid or unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

SECTION 4. REPEALING CLAUSE. – All other issuances and rules and regulations or parts thereof which are contrary to and inconsistent with the provisions of these Regulations are hereby repealed, amended or modified accordingly.

SECTION 5. 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
FEB 26 2025



Recommending Approval:

