

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

July 15, 2013

REVENUE MEMORANDUM CIRCULAR NO. 50-2013

SUBJECT: Clarification Regarding “Tentative Annual Income Tax Returns” Being Filed by Certain Taxpayers

TO : All Internal Revenue Officials, Employees and Others Concerned

I. Background

In a rush to beat the tax deadline, some taxpayers file their income tax returns based on tentative financial statements with the word “Tentative” written on the face of the return. Nevertheless, it was noted that these taxpayers have not been filing the corresponding final returns to reflect their supposedly correct tax liabilities.

In a tentative return, the taxpayer implies the incompleteness or the non-finality of the data considered in arriving at the tax base and therefore, the correct tax due cannot possibly be computed. On the other hand, in affixing the signature, the taxpayer is also declaring that the return filed is made in good faith, is true and correct, and in accordance with the provisions of the National Internal Revenue Code (Tax Code), as amended, and existing regulations. Consequently, the filing of amended tax returns and finalization of its audited financial statements should be a priority by the taxpayer, notwithstanding that the filing of amended tax returns has the effect of extending the three (3) - year period within which the Bureau of Internal Revenue is allowed to examine the books of the taxpayers.

II. Policy

For purposes of this Revenue Memorandum Circular, a “Tentative Tax Return” shall be considered as a final return, unless a final amended return is filed by the concerned taxpayer. However, once an electronic Letter of Authority or any other notice of audit is received, taxpayers are barred from making amendments to the tentative tax returns filed. This emphasizes that income tax returns marked as “Tentative” may also be the subject of examination pursuant to Section 6(A) of the Tax Code, as amended.

All concerned revenue officials and employees are hereby enjoined to give this Circular as wide a publicity as possible.

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