

Quezon City

February 15, 2002

**REVENUE MEMORANDUM ORDER NO. 1-2002**

**SUBJECT: Renaming and Creation of Alphanumeric Tax Codes (ATCs) of Withholding, Value-Added and Percentage Taxes**

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

**I. Objective:**

To facilitate proper identification and monitoring of Withholding Taxes, Value-Added Taxes (VAT) and Percentage Taxes based on BIR Form No. 1602 (Monthly Remittance Return of Final Income Taxes Withheld), BIR Form No. 2550Q (Quarterly VAT Return) and BIR Form No. 2551M (Monthly Percentage Tax Return), and for Integrated Tax System (ITS) purposes, the following ATCs are hereby renamed and created:

<b>KIND OF TAXES</b>	<b>ISSUANCE/ LEGAL BASIS/ REASONS</b>	<b>ATC</b>
		<b>From</b> <b>To</b> (RMO No. 14-99)

**A. Renaming of ATC for:**

<b>1. Final Income Tax on Preterminated Long-term Deposits/Investments for Individuals</b>	Sec. 24 (B)(1); 25 (A)(2) of RA 8424	
On interest income from long-term deposit in the form of savings, trust funds, deposit substitutes which was preterminated by the holder before the 5 <sup>th</sup> year;		
• 20% tax rates	WI 440	WI 440
• 12% tax rates	WI 440	WI 441
• 5% tax rates	WI 440	WI 442
<b>2. Percentage Tax on Agents of Foreign Insurance Companies with:</b>	Sec. 124 of RA 8424	
• Insurance Agents (10%)	PT 130	PT 130
• Insurance Agents (5%)	PT 130	PT 131
• Owners of property obtaining insurance directly with foreign insurance companies (5%)	PT 131	PT 132

<b>KIND OF TAXES</b>	<b>ISSUANCE/ LEGAL BASIS/ REASONS</b>	<b>ATC</b>
<b>B. Creation of ATC for VAT on Manufacturing:</b>	Sec. 106 of RA 8424	
• Alcohol		VM 110
• Petroleum		VM 120
• Automobiles		VM 130
• Non-Essentials (Excisable Goods)		VM 140
• Pharmaceuticals		VM 150
• Sugar		VM 160

**II. Repealing Clause:**

This order revises portions of all other issuances inconsistent herewith.

**III. Effectivity:**

This shall take effect immediately.

(Original Signed)  
**RENÉ G. BAÑEZ**  
 Commissioner of Internal Revenue