

We are starting a software-as-a-service company. Basically, we provide schools with an RFID system that notifies parents when their children enter or leave the school campus. We also have another product/service where we provide an SMS integration system for businesses. It basically allows them to send and receive SMS using an online dashboard.

1. Is it our choice if we want to charge the VAT to the customer or just pay the tax from our revenue? If so, would the tax cost the same? My friend told me that if I charge the VAT to the customer, it would be 12% but if I chose to pay the tax from our revenue, it would just be 1%.
2. How is the corporate tax different from sales tax? Corporate tax here is 30%. Where would we deduct that 30% and how often should we pay it.
3. Are there any other taxes we have to pay?
4. In the Philippines, when you register a business, the Bureau of Internal Revenue gives you official receipts and invoices. What if we want to print our customized invoice and receipts from quickbooks? Would we still use the official printed once from BIR?
5. We are going to register as a corporation. To do this, our treasurer has to present an affidavit stating that the capital (or at least 25% of the capital) is deposited to the bank under his name. The problem is, we already spent that money on infrastructure. How should we go about this issue? Can we deposit money in the bank just as a “show money” then withdraw the full amount after the registration?