

MCC TAX AND OTHER RELEVANT UPDATES

Period Covered: July 2023



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IMPORTANT UPDATES:

A. REVENUE REGULATIONS		
ISSUANCE	DATE ISSUED	SUBJECT
RR 7-2023	July 7, 2023	Amends certain provisions of RR Nos. 17-2011 and 2-2022, implementing RA No. 9505 "Personal Equity and Retirement Account (PERA) Act of 2008"
RR 8-2023	July 31, 2023	Clarifies the information that shall appear in the official receipts/sales invoices on purchases of Senior Citizens (SCs) and Persons With Disabilities (PWDs) through online (E-Commerce) or mobile applications, in relation to Revenue Regulations (RR) No. 10-2015
B. REVENUE MEMORANDUM CIRCULARS		
RMC No. 74-2023	July 5, 2023	Prescribes Sworn Statement and Sworn Declaration to be submitted relative to the compliance requirements in availing the Income Tax exemption of foreign-sourced dividends received by domestic corporation
RMC No. 75-2023	July 5, 2023	Extends the deadline up to September 30, 2023 for the replacement of Ask for Receipt Notice with Notice to Issue Receipt/invoice under RMO No. 43-2022
RMC No. 76-2023	July 13, 2023	Circularizes the New Daily Minimum Wage Rates in certain sectors/industries under the National Capital Region as prescribed by Wage Order No. NCR-24
C. DEPARTMENT OF LABOR AND EMPLOYMENT		
Wage Order 24-NCR	July 16, 2023 (effectivity date)	Providing for the minimum wage increase in the National Capital Region

DISCUSSION OF UPDATES

A. REVENUE REGULATIONS

REVENUE REGULATIONS 7-2023

REVENUE REGULATIONS NO. 7-2023 issued on July 7, 2023 amends certain provisions of Revenue Regulations (RR) Nos. 17-2011 and 2-2022, implementing Republic Act (RA) No. 9505 (Personal Equity and Retirement Account [PERA] Act of 2008).

Section 2 (n) and Section 6 of RR No. 17-2011, as amended, are further amended to read as follows:

"Section 2. Definition of Terms – xxxx (n): Qualified PERA Contributions - shall refer to the contributions of the Contributor to his PERA, which shall not exceed 200,000.00 per calendar year (if the Contributor is a non-Overseas Filipino), or 400,000.00 per calendar year (if the Contributor is an Overseas Filipino or in representation of an Overseas Filipino), and in accordance with the provisions of Section 6 of these Regulations, subject to the adjustments authorized by the Secretary of Finance, taking into consideration the present value of the contribution using the Consumer Price Index as published by the National Statistics Office, fiscal position of the Government and other pertinent factors."

xxxx xxxx xxxx

"Section 6. Maximum Annual PERA Contributions. — Without limiting the scope and coverage of the term "Qualified PERA Contributions" as defined under Section 2(n), the aggregate maximum Qualified PERA Contributions in one calendar year for purposes of illustration shall be as follows:

Contributor	Maximum Qualified PERA Contribution in Peso*
Unmarried Filipino Citizen	Php 200,000.00
Married Filipino Citizen and both spouses qualify as a Contributor	Php 200,000.00 for each qualified contributor
Married Filipino Citizen and only one spouse qualifies as a Contributor	Php 200,000.00
Unmarried Overseas Filipino	Php 400,000.00
Married Overseas Filipino whose legitimate spouse is neither an Overseas Filipino nor a qualified contributor	Php 400,000.00
Married Overseas Filipino whose legitimate spouse and children (not otherwise disqualified as contributors) of an Overseas Filipino who did not directly open any PERA	Php 400,000.00 cumulative for the spouse and children in representation of the Overseas Filipino
Married Overseas Filipino whose legitimate spouse is also an Overseas Filipino	Php 400,000.00 for each qualified contributor
Married Overseas Filipino whose legitimate children are not Overseas Filipinos and are not qualified Contributors	Php 400,000.00 for the Overseas Filipino

**Or its equivalent in any convertible foreign currency at the prevailing rate at the time of actual contribution.*

XXXX XXXX XXXX

Contributions to the PERA amounting to more than Php 200,000.00 or Php 400,000.00, as the case may be, shall not be accepted by the Administrator under the PERA Account, however, they may be accepted by the Administrator as other Savings/Investment Account after appropriate advice given to Contributor but shall not be entitled to any benefit under the PERA Act.” Further, Section 4 of RR No. 2-2022 is amended to read as follows:

"SECTION 4. PERA TCC. – I. UTILIZATION OF PERA TCC – xxxxx

XXXX XXXX XXXX

II. EXPIRATION OF PERA TCC. – A tax credit certificate issued in accordance with the pertinent provisions of this Regulations, that remains unutilized after five (5) years from the date of issuance, shall be considered invalid and shall not be allowed as payment for internal revenue tax liabilities of the PERA contributor. The amount covered by the certificate issued shall be automatically cancelled by the ePERA System.

In case of damaged or lost certificate, reissuance of certificate will not be available after five (5) years from the date of issuance of the original certificate."

The increase in the maximum annual PERA contributions shall apply starting January 1, 2023, while the rest of the provisions of these regulations shall take effect fifteen (15) days following its publication in the Official Gazette or in a newspaper of general circulation whichever comes earlier.

REVENUE REGULATIONS NO. 8-2023

REVENUE REGULATIONS NO. 8-2023 issued on July 26, 2023 clarifies the information that shall appear in the official receipts/sales invoices on purchases of Senior Citizens (SCs) and Persons With Disabilities (PWDs) through online (E-Commerce) or mobile applications, in relation to Revenue Regulations (RR) No.10-2015. The signature of the SC/PWD, as contemplated in RR No. 10-2015, shall not be required for qualified purchases made by SCs/PWDs online or through mobile applications. Nonetheless, the SC/PWD Identification Card number should still be provided by the SC/PWD when purchasing through online or mobile platforms; and the rules on entitlement to the benefits of the SC/PWD and to the tax deduction, pursuant to RR No. 7-2010, as amended; RR No. 5-2017, as amended; JMC No. 01 s.2022; and to future issuances pertaining to SC/PWD purchases through online or mobile applications, shall be strictly followed

B. REVENUE MEMORANDUM CIRCULARS

REVENUE MEMORANDUM CIRCULAR NO. 74-2023

REVENUE MEMORANDUM CIRCULAR NO. 74-2023 issued on July 5, 2023 prescribes the standard templates for “Sworn Statement” and “Sworn Declaration” to be submitted by domestic corporation in case it receives multiple foreign-sourced dividends qualified for Income Tax exemption pursuant to Section 27 (D)(4) of the Tax Code, as amended.

Annexes	Link
A	RMC No. 74-2023 Annex A.pdf (bir.gov.ph)
B	RMC No. 74-2023 Annex B.pdf (bir.gov.ph)

REVENUE MEMORANDUM CIRCULAR 75-2023

The Bureau of Internal Revenue has recently issued **Revenue Memorandum Circular 75-2023** which extends the period within which the taxpayer could **replace its “Always Ask For Receipt” notice to “Notice to Issue Receipt or Invoices” (or “NIRI”)**. The new deadline is only up until **September 30, 2023**.

Failure to secure the NIRI on or before September 30, 2023 will subject the company to a **penalty amounting to Php1,000.00** pursuant to Section 275 of the National Internal Revenue Code.

To secure the NIRI, the company **shall need to fill out S1905** or the Registration Update Sheet to **indicate or update the designated official email address** which will be used by the BIR as an additional manner in serving BIR orders, notices, letters, communications and other processes to the company.

REVENUE MEMORANDUM CIRCULAR 76-2023

REVENUE MEMORANDUM CIRCULAR NO. 76-2023 issued on July 13, 2023 circularizes the New Daily Minimum Wage Rates in certain sectors/industries under the National Capital Region (NCR) as prescribed by Wage Order No. NCR-24, which was approved on June 26, 2023 and published at The Philippine Star on June 30, 2023.

C. DEPARTMENT OF LABOR AND EMPLOYMENT

Please be advised that per Wage Order 24-NCR, **the Minimum Wage in the National Capital Region has been increased** as follows:

Sectors/ Industry	Current Minimum Wage Rates	New Wage Increase	New Minimum Wage Rates
Non-Agriculture	Php570.00	Php40.00	Php610.00
Agriculture (Plantation and Non-Plantation)	Php533.00	Php40.00	Php573.00
Service/ Retail Establishments employing 15 workers or less			
Manufacturing Establishments regularly employing less than 10 workers			

Kindly note that this shall be effective fifteen (15) days from its publication in a newspaper of general circulation. This has been published on 30 June 2023 and **shall be effective on 16 July 2023**

*****Nothing Follows*****