

MCC TAX AND OTHER RELEVANT UPDATES

Period Covered: October 2023



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IMPORTANT UPDATES:

A. REVENUE REGULATIONS		
ISSUANCE	DATE ISSUED	SUBJECT
RR 12-2023	October 4, 2023	Topic: Tax Administration Implements Section 237 of the National Internal Revenue Code of 1997, as Amended, on the issuance of receipts or sales or commercial invoices by Agricultural Producers with gross sales exceeding One Million Pesos.
B. REVENUE MEMORANDUM CIRCULARS		
RMC No. 99-2023	October 3, 2023	Topic: Tax Administration Clarifies the applicable taxes due on sale of real property considered as ordinary assets of the seller and other relevant matters
RMC No. 100-2023	October 4, 2023	Topic: Tax Administration and compliance Clarifies certain issues in the remittance procedures for Documentary Stamp Tax (DST) under Section 3 of RR No. 2-2023
RMC No. 109-2023	October 13, 2023	Topic: Tax Administration and compliance Announces the availability of the Taxpayer Registration-Related Applications (TRRA) Portal

DISCUSSION OF UPDATES

A. REVENUE REGULATIONS

REVENUE REGULATIONS 12-2023

The Bureau of Internal Revenue has issued Revenue Regulations 12-2023 to implement Section 237 of the National Internal Revenue Code, as amended relative to the issuance of Receipts, or Sales or Commercial Invoices by Agricultural Providers. It reiterated that in accordance with the said quoted provision of law, all persons subject to internal revenue tax shall at point of each sale or transfer of merchandise or services rendered the value of which is at One Hundred Pesos (Php100.00) or more issue duly registered receipts or sales or commercial invoice subject to exemption as the Commissioner of Internal Revenue in meritorious cases, may provide.

Pursuant to Section 4 this Revenue Regulation, Agricultural Producers are exempt from issuing principal and supplementary receipts and invoices if their gross sales/ receipt for the year shall not exceed One Million Pesos (Php1,000,000.00) with the requirement that they shall record each sale or transaction in a simplified sales book containing the following information:

1. Date of transaction;
2. Description of goods sold or services rendered;
3. Registered name, registered address, and TIN of the purchaser if engaged in business;
4. Amount of sales;
5. Amount of Tax withheld if any, and the;
6. Net amount received.

Per the Revenue Regulation it defined Agricultural Producers as “individuals who are suppliers/ producers/ sellers, contract growers, and millers of agricultural food products whose annual gross sales/ receipts, for tax purposes, do not exceed One Million Pesos (Php1,000,000.00)

For your complete reference kindly click this link: [RR No. 12-2023.pdf \(bir.gov.ph\)](#)

B. REVENUE MEMORANDUM CIRCULARS

REVENUE MEMORANDUM CIRCULAR 99-2023

The Bureau of Internal Revenue has issued Revenue Memorandum Circular No. 99-2023 to clarify the applicable tax due on a sale of property held as “ordinary asset”

According to this Revenue Memorandum Circular, an “Ordinary Asset” refers to “all real properties specifically excluded from the definition of capital assets under Section 39(A)(1) of the National Internal Revenue Code of 1997, as amended which includes but not limited to the following:

1. Stock in trade of the taxpayer or other real property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year; or,
2. Real property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business; or
3. Real property used in the trade or business (i.e. buildings and/or improvements) of a character which is subject to the allowance for depreciation provided under Section 34(F) of the NIRC as amended;
4. Real properties used in the trade or business of the taxpayer;
5. In the case of banks, real properties acquired through foreclosure sale.

Generally, sale of real property held as ordinary assets are subject to Value-Added Tax except in certain cases as provided under Sections 109(P) and 109(1)(A) to (BB) of the National Internal Revenue Code of 1997 as amended.

The copy of the RMC in Question and Answer Format can be viewed online through this link [RMC No. 99-2023.pdf \(bir.gov.ph\)](https://bir.gov.ph/99-2023.pdf)

REVENUE MEMORANDUM CIRCULAR 100-2023

REVENUE MEMORANDUM CIRCULAR NO. 100-2023 issued on October 4, 2023 clarifies certain issues in the remittance procedures for Documentary Stamp Tax (DST) under Section 3 of Revenue Regulations No. 2-2023.

For government agencies or instrumentalities whose collections of DST are directly deposited/remitted daily or weekly, as the case may be, to the respective branches of Land Bank of the Philippines (LBP), the Bureau of Treasury-Bureau of Internal Revenue (BTr-BIR) clearing account of the National Treasurer with LBP shall be used, with details as follows:

BTR- BIR Clearing Account Number	Account Name
3402282915	BTR BUREAU OF INTERNAL REVENUE DOC STAMP

For Revenue Collection Officers (RCOs) of the Bureau, on the other hand, the existing BTr-BIR Clearing Account (i.e., Account No. 3402-2803-94) shall still be used in their remittance of DST collections to LBP.

Regardless of the number of frequencies of deposit/remittance of the DST collection during the calendar month, a single tax return (Documentary Stamp Tax Declaration/Return [BIR Form No. 2000, version January 2018]) shall be filed by the government agencies or instrumentalities not later than the fifth (5th) day following the calendar month.

Pending the revision of BIR Form No. 2000, version January 2018 and for purposes of securing the necessary information on the frequent DST remittances to LBP, Schedule 4-Summary of Remittance from Collection on Sale of Loose Documentary Stamps of the said form shall be accomplished temporarily by filling-out the information under the columns described as follows:

Column Heading of Schedule 4	Information to be Filled-out
RCO Code	National Collecting Office (NCO) Code
Remittance Date/s (MM/DD/YYYY)	Remittance Date(s)
Authorized Agent Bank	Authorized Government Depository Bank (AGDB) branch
Amount Remitted	Amount Remitted

The eBIRForms Package facility shall be used by all concerned government agencies or instrumentalities in the filing of BIR Form No. 2000. However, with respect to certain government agencies or instrumentalities that are mandated to use the Electronic Filing and Payment System (eFPS) facility, the eBIRForms Package facility shall be used temporarily considering that BIR Form No. 2000, version January 2018 is not yet available in the eFPS.

All concerned BIR Revenue District Offices shall monitor the DST collections from constructive affixture by the government agencies or instrumentalities under their respective jurisdictions, and accordingly coordinate such collections with the Bureau's Revenue Accounting Division, for purposes of reconciliation with the BTr and proper crediting in the collection books.

REVENUE MEMORANDUM CIRCULAR 109-2023

REVENUE MEMORANDUM CIRCULAR NO. 109-2023 issued on October 13, 2023 announces the availability of the Taxpayer Registration-Related Applications (TRRA) Portal on October 16, 2023. The TRRA Portal is an alternative option that can be used by taxpayers to submit registration-related applications thru email application.

The documentary requirements for the following registration-related transactions can be submitted electronically to the concerned Revenue District Offices (RDOs) via the TRRA Portal:

- a. Application for Taxpayer Identification Number (TIN) under Executive Order No. 98 and One-Time Transaction;
- b. Registration of Overseas Filipino Worker and Non-Resident Citizens;
- c. Application for Authority to Print;
- d. Updating of Email Address using Application Sheet Form S1905;
- e. Transfer of Registration of Employees and Other Non-Business Taxpayers; and
- f. Updating of Maiden Name (for married female).

To use the TRRA, taxpayer-applicants shall access the TRRA Portal through the BIR eServices icon at <https://www.bir.gov.ph/> and follow the procedures below:

- a. Scan all the required documentary requirements in PDF copy not exceeding 4MB file size per file. The checklist of documentary requirements and the applicable form can be accessed by clicking the desired application in TRRA Portal.
- b. Select the frontline service to be availed of or the type of application.

- c. Select the RDO where the applicant is registered. In case the taxpayer is applying for TIN, the system will determine the RDO based on the address provided. Then, click the "Email your Application" button.

Note: If after clicking the "Email your Application" button and the email program of the personal computer does not open, send the application (scanned documents) to the email address that will appear in the TRRA Portal based on the RDO selection. Taxpayer-applicant will receive an email acknowledgement of the receipt of application from the official email address of the concerned RDO within three (3) working days from the date of e-mail acknowledgement receipt of complete documentary requirements.

- d. An email notification will be sent to the email address indicated in the taxpayer applicant's Application Form once application has been successfully processed. In case of incomplete requirements, issues or concerns in the application, a BIR officer shall contact the taxpayer.

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