

MCC TAX AND OTHER RELEVANT UPDATES

Period Covered: September 2024



MORFE, CENETA & CO.
CERTIFIED PUBLIC ACCOUNTANTS

The matters in this edition are intended for general information only and cannot be substituted in any way for a legal opinion. Morfe, Ceneta & Co., CPAs, its partners, employees or assigns if any hereby hold themselves free and harmless from any damages arising out or in connection with one's reliance on the information we have shared in this publication.

IMPORTANT UPDATES:

DISCUSSION OF UPDATES

A. SECURITIES AND EXCHANGE COMMISSION		
ISSUANCE	DATE ISSUED	SUBJECT
SEC Memorandum Circular 16	September 2, 2024	Enhanced Compliance Incentives Program
B. REVENUE MEMORANDUM CIRCULAR		
RMC No. 109-2024	September 24, 2024	Clarification on the types of checks accepted for payment for One-Time Transaction-Related Internal Revenue Taxes

A. SECURITIES AND EXCHANGE COMMISSION

SEC MEMORANDUM CIRCULAR 16 s. 2024

The Securities and Exchange Commission has issued SEC Memorandum Circular 13 series of 2024 which announces the “**Enhanced Compliance Incentive Plan**” with the purpose of “continue the progress brought about by the 2023 Amnesty Program in encouraging regulatory compliance and maintaining a reliable database of active and inactive corporations”

The ECIP shall cover the following late/non filing of reportorial requirements:

- Non-filing of General Information Sheet (GIS) for the latest and prior years;
- Late filing of GIS for the latest and prior years;
- Non-filing of Financial Statements (AFS for brevity), whether audited or certified, including fines for its attachments [e.g., Certificate of Existence of Program/Activity (COEP), Non-Stock and Non-Profit Organization (NSPO) Forms] for the latest and prior years; and
- Late filing of AFS, including fines for its attachments (e.g., COEP, NSPO Forms), for the latest and prior years.

The ECIP shall be available to all corporations **EXCEPT**:

- Corporations whose securities are listed on the Philippine Stock Exchange (“PSE”);
- Corporations whose securities are registered but not listed on the PSE;
- Corporations considered as Public Companies;
- Corporations with intra-corporate dispute;
- Corporations with disputed GIS;
- Corporations with expired corporate term; and
- Other corporations covered under Sec. 17.2 of RA No. 8799 or the “Securities Regulation Code

The **fees** to be paid for the corporations to avail this are as follows:

Non-Compliant and Delinquent Corporations

Violation	ECIP Fee
Late Filing and Non-Filing of GIS	Php20,000.00
Late Filing and Non-Filing of AFS	
Non-Compliance with MC 28	

Suspended or Revoked Corporations

Violation	ECIP Fee
Petition Fee	Php3,060.00
Late Filing and Non-Filing of GIS	50% of the assessed fines
Late Filing and Non-Filing of AFS	
Non-Compliance with MC 28	

The following are the **documentary requirements**:

Non-Compliant or Delinquent Corporations (Domestic and Foreign Corporations)

- a. Latest due AFS and its attachments;
- b. Latest due Amended AFS, if any;
- c. Latest due GIS; and
- d. Latest due Amended GIS, if any.

Suspended or Revoked Corporations (for lifting of suspension or revocation)

- a. Directors' or Trustees' Certificate
- b. Latest due AFS and its attachments, as received by the SEC and Bureau of Internal Revenue
- c. Latest due GIS, as received by the SEC
- d. Copies of Certificate of Incorporation and latest Certificate of filing of Amended Certificate of Incorporation or By-laws (if any) together with latest Articles of Incorporation and By-laws
- e. Copy of registration of stock and transfer book or membership book
- f. Secretary's Certificate of No Intra Corporate Controversy
- g. Sworn Certification by the External Auditor
- h. Proof of ongoing operation, such as but not limited to:
 - Audited Financial Statement
 - Income Tax Returns
 - Mayor's or Business Permits
 - Contracts
 - Receipts showing payment of Real Estate Tax
 - Certification/Recognitions/Annual Conventions; or
 - Any similar documents.
- i. Latest Mayor's Permit/ Business Permit
- j. BIR Certificate of Registration
- k. Certification from the Corporate Secretary that the Latest Financial Statement and Income Tax Return was received by the SEC and BIR respectively; and
- l. Compliance with SEC Memorandum Circular 28, series of 2020.

B. REVENUE MEMORANDUM CIRCULAR

REVENUE MEMORANDUM CIRCULAR 109-2024

The Bureau of Internal Revenue has issued Revenue Memorandum Circular 109-2024 which clarifies on the types of checks accepted for payment for One-Time Transaction-Related internal revenue taxes.

Accordingly, the Authorized Agents Banks (AAB) and Revenue Collection Officers (RCO) are authorized to accept cash payments provided that when such payment is made with the RCO, the amount shall not exceed Php20,000.00.

Likewise, the AABs and RCOs are directed to accept only check payments in the form of either Manager's or Cashier's checks without regard to its amount to standardize the requirements and expedite the verification process.

*****NOTHING FOLLOWS*****