REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

December 19, 2018

REVENUE MEMORANDUM ORDER NO. 5-2019

SUBJECT : **Modification of Alphanumeric Tax Code (ATC) for Compensation Income under Republic Act (RA) No. 10963, otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) Act and for Withholding Taxes**

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

I. OBJECTIVE:

To facilitate the proper identification and monitoring of tax collection from Individual Income Tax in BIR Form Nos. 1700 (Annual Income Tax Return For Individuals Earning Purely Compensation Income Including Non-Business/Non-Profession Income), 1701 (Annual Income Tax Return For Self-Employed Individuals, Estates and Trusts) and 1701Q (Quarterly Income Tax Return For Individuals, Estates and Trusts) pursuant to RA No. 10963, and from withholding taxes and for Integrated Tax Systems (ITS) purposes, the following ATCs are hereby modified:

EXISTING (per ATC Handbook)					**MODIFIED/ NEW**
ATC	**Description**	**Tax Rate**	**BIR Form No.**	**Legal Basis**	**BIR Form No.**
II011	Compensation Income	Graduated Income Tax Rates	1701 1701Q	RA No. 10963 RR No. 11-2018	1700 1701 1701Q
	Income payments subject to final withholding taxes		1600 1601-E 1601-F 2307		1706 2307
WI450	1. Capital gains Tax on sale/exchange or other disposition of real property – individual	6%		RR 17-2003 Sec. 2.57.1 (A) (6)	
WC450	2. Capital gains tax on the sale/exchange or other disposition of land and building - corporate	6%		RR 17-2003 Sec. 2.57.1 (G) (5)	

II. REPEALING CLAUSE:

This Revenue Memorandum Order (RMO) revises portions of all other issuances inconsistent herewith.

III. EFFECTIVITY:

This RMO shall take effect immediately.

CAESAR R. DULAY
Commissioner of Internal Revenue

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BUREAU OF INTERNAL REVENUE
RECEIVED
2:38 P.M.
JAN 15 2019
RECORDS MGT. DIVISION