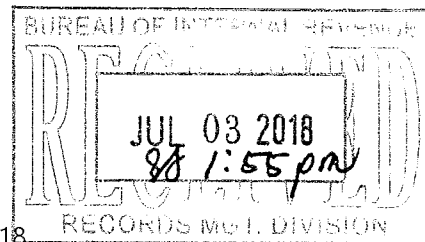




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City



April 20, 2018

REVENUE MEMORANDUM ORDER NO. 28-2018

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

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. 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.

II. THE FOLLOWING ATCs ARE HEREBY CREATED:

ATC	Description	Tax Rate	Legal Basis	BIR Form
II015	Business Income – 8% Income Tax Rate	8%	RA No. 10963	1701/1701Q
II016	Mixed Income – 8% Income Tax Rate			
II017	Income from Profession – 8% Income Tax Rate			

III. THE FOLLOWING ATCs ARE HEREBY MODIFIED:

EXISTING (per ATC Handbook)			MODIFIED/NEW			BIR FORM NO.
ATC	Description	Tax Rate	Description	Tax Rate	Legal Basis	
II011	Pure Compensation	5% - 32%	Compensation Income	Graduated Income Tax Rates	RA. No. 10963	1701/1701Q
II012	Business Income		Business Income – Graduated Income Tax Rates			
II013	Mixed Income		Mixed Income – Graduated Income Tax Rates			
II014	Income from Profession		Income from Profession – Graduated Income Tax Rates			

IV. REPEALING CLAUSE:

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

V. EFFECTIVITY:

This RMO shall take effect immediately.

CAESAR R. DULAY

Commissioner of Internal Revenue