

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

January 29, 2004

REVENUE MEMORANDUM ORDER NO. 3-2004

SUBJECT : **Creation and Modification of Alphanumeric Tax Code (ATC) of Selected Revenue Sources Subject to 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 Withholding Taxes pursuant to Revenue Regulations No. 30-2003 and for Integrated Tax System (ITS) purposes, the following ATCs are hereby modified/created:

KIND OF TAXES		ISSUANCE/ LEGAL BASIS/ REASONS	ATC
Income Payment Subject to Creditable Withholding Taxes			
Existing Description	New Description		
Professionals (lawyers, CPAs, engineers, etc)	Professionals (lawyers, CPAs, engineers, etc)	RR No. 30- 2003 Sec. 3 (A) (1)	WI010
	- If the current year's gross income is ₱720,000 and below (10%) - If the currents year's gross income exceeds ₱720,000 (15%)		WI011
Professional talent fees paid to juridical persons (5%)	Professional talent fees paid to juridical persons	RR No. 30-2003 Sec. 3 (B)	WC010
	- If the current year's gross income is ₱720,000 and below (10%) - If the currents year's gross income exceeds ₱720,000 (15%)		WC011

KIND OF TAXES		ISSUANCE/ LEGAL BASIS/ REASONS	ATC
Income Payment Subject to Creditable Withholding Taxes			
Existing Description	New Description		
Professional entertainers; - If the current year's gross income exceeds ₱720,000 (20%)	Professional entertainers such as, but not limited to, actors and actresses, singers, lyricist, composers and emcees - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3(A) (2)	WI021
Professional athletes including basketball players, pelotaris and jockeys - If the current year's gross income exceeds ₱720,000 (20%)	Professional athletes including basketball players, pelotaris and jockeys - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (3)	WI031
Movie, stage, radio, television and musical directors - If the current year's gross income exceeds ₱720,000 (20%)	Movie, stage, radio, television and musical directors and producers - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (4)	WI041
Insurance agents and insurance adjusters (10%)	Insurance agents and insurance adjusters - If the current year's gross income is ₱720,000 and below (10%) - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (5)	WI070 WI071
Management and technical consultants (10%)	Management and technical consultants - If the current year's gross income is ₱720,000 and below (10%) - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (6)	WI050 WI051
Business and Bookkeeping agents and agencies (10%)	Business and Bookkeeping agents and agencies - If the current year's gross income is ₱720,000 and below (10%) - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (7)	WI060 WI061

KIND OF TAXES		ISSUANCE/ LEGAL BASIS/ REASONS	ATC
Income Payment Subject to Creditable Withholding Taxes			
Existing Description	New Description		
Other recipient of talent fees - If the current year's gross income exceeds ₱720,000 (20%)	Other recipient of talent fees - If the current year's gross income exceeds ₱720,000 (15%)	RR No. 30-2003 Sec. 3 (A) (8)	WI081
Fees of directors who are not employees of the company (10%)	Fees of directors who are not employees of the company - If the current year's gross income is ₱720,000 and below (10%)	RR No. 30-2003 Sec. 3 (A) (9)	WI090
	- If the current year's gross income exceeds ₱720,000 (15%)		WI091
Payment to partners in general professional partnerships (10%)	Payment to partners in general professional partnerships - If the current year's income payments for the partner is ₱720,000 and below (10%)	RR No. 30-2003 Sec. 3 (H)	WI52
	- If the current year's income payments for the partner exceed ₱720,000 (15%)		WI153
Payments for medical/ dental/ veterinary services thru Hospitals/Clinics/Health Maintenance Organizations , including direct payments to service providers (10%)	Payments for medical/ dental/ veterinary services thru Hospitals/Clinics/Health Maintenance Organizations , including direct payments to service providers - If the current year's income payments for the medical/dental/ veterinary services is ₱720,000 and below (10%)	RR No. 30-2003 Sec. 3 (I)	WI151
	- If the current year's income payments for medical/dental/ veterinary services exceeds ₱720,000 (15%)		WI150

KIND OF TAXES		ISSUANCE/ LEGAL BASIS/ REASONS	ATC
Income Payment Subject to Creditable Withholding Taxes			
Existing Description	New Description		
Income payments made by the government to its local/resident suppliers of goods and services	Income payments made by the government to its local/resident suppliers of goods and services	RR No. 30-2003 Sec. 3 (N)	
(i) Individual 2%	(i) Individual • Supplier of Goods 1% • Supplier of Services 2%		WI640
(ii) Corporate 2%	(ii) Corporate • Supplier of Goods 1% • Supplier of Services 2%		WI157
			WC640
			WC157

II. Repealing Clause :

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

III. Effectivity :

This Revenue Memorandum Order shall take effect immediately.

(Original Signed)
GUILLERMO L. PARAYNO, Jr.
Commissioner of Internal Revenue