



Bangko Sentral ng Pilipinas

OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

MEMORANDUM NO. M- 2008- 007

**To : ALL BANKS AND NON-BANKS WITH QUASI-BANKING
FUNCTIONS (NBQB) AND/OR TRUST AUTHORITY**

Subject : Billing and Payment of 2007 BSP Annual Supervisory Fees

Pursuant to Sections X608 and 4652Q of the Manual of Regulations for Banks (MORB) and the Manual of Regulations for Non-Bank Financial Institutions (MORBNFI), respectively, the following guidelines shall be observed in the 2007 ASF payment by banks, quasi-banks and trust entities:

1. Notification of Amount Due and Mode of Payment

The BSP Supervisory Data Center (SDC) shall send a billing notice this February to the Bank/NBQB for its ASF payment indicating, among others, the computation of the ASF due, including the 2% creditable withholding tax (CWT) thereon, if applicable, the period covered by the ASF and the specific date when the ASF will be collected by debiting the Bank's/NBQB's Demand Deposit Account (DDA) with the BSP.

The BSP will not accept checks as mode of ASF payment. Banks/NBQBs, upon receipt of the ASF billing notice from the BSP, should maintain adequate balance in their DDA to cover the ASF and other daily obligations and, when necessary, make the corresponding deposits to fully cover said obligations. In case of deficiency, the provision on deficiency DDA in Sections X608.1 and 4652Q of the MORB and MORBNFI, respectively, shall apply.

2. Exceptions Noted on Billing Notice

Upon receipt of the BSP Notice of ASF billing, a Bank/NBQB is encouraged to check the accuracy of the billing and to submit any of the exceptions it noted not later than five (5) days before the specified date of collection/debit to DDA as indicated in the billing notice. The said exceptions, together with supporting documents, shall be submitted to:

The Director
Supervisory Data Center (SDC)
Bangko Sentral ng Pilipinas
16th Floor, Multi-Storey Building
BSP Complex, A. Mabini Street
Malate, Manila 1004

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Any exception received after the cut-off date or any exception not duly substantiated with documents before the cut-off date will be evaluated and considered in the computation of the ASF for the next succeeding year.

3. Withholding Tax on Supervisory Fees

The following shall apply to Banks/NBQBs covered by Sections M and N of BIR Revenue Regulation (R.R.) No. 2-98 as amended by R.R. No. 17-2003:

- 3.1. Within 5 days from date of this memorandum, the Bank/NBQB shall submit to the BSP (at the address indicated in Item 2 hereof) a certified true copy of the BIR notice classifying it as among the institutions covered under Section M, of R.R. No. 2-98 as amended by R.R. No. 17-2003.
- 3.2. The ASF, net of the 2% CWT, shall be debited from the DDA on the specified date referred to in the notice of ASF billing under item 1.
- 3.3. The following timelines shall be observed on the submission of annual withholding tax documents to BSP at the address indicated in Item 2 hereof:

	Tax Documents	Due Date
1.	Original copy of BIR Form No. 2307 – Certificate of Creditable Tax Withheld at Source	On or before 31 March 2008
2.	Original Duplicate Copy of BIR Form No. 1601E – Monthly Remittance Return of Creditable Income Taxes Withheld (Expanded), duly received by BIR, if manually filed, or duly supported with BIR confirmation notice/advice, if electronically filed.	On or before 31 March 2008
3.	Certified true copy of BIR official receipt/payment confirmation receipt	On or before 31 March 2008

- 3.4. Considering that the withholding tax documents enumerated in item 3.3 will be used to avail the tax credits for filing the annual income tax return of the BSP, the failure to submit all of the enumerated documents within the stated deadline will compel the BSP to immediately debit an amount equivalent to the 2% CWT from the DDA of Banks/NBQBs concerned, with no obligation on the part of the BSP to reimburse said amount in case of late submission. In case of DDA deficiency, the provisions in Sec X608.1 and 4652Q of the MORB and MORBNFI, respectively, shall apply.

- 3.6. The above guidelines on withholding tax shall be strictly enforced pending resolution of the tax treatment on the ASF being assessed by the BSP.

This Memorandum shall take effect immediately upon its publication in a newspaper of general circulation.


NESTOR A. ESPENILLA, JR.
Deputy Governor

13 February 2008