

Withholding Tax and VAT Guide during the Enhanced Community Quarantine

Tax Alert No. 25


pwc



Withholding Tax and VAT Guide during the Enhanced Community Quarantine

In brief

In view of the Enhanced Community Quarantine (ECQ) and Stringent Social Distancing Measures implemented by the National Government due to the Coronavirus Disease 2019 (COVID-19), this **PwC PH Withholding and VAT ECQ Guide** sets out the guidelines for withholding and value-added taxes (VAT).

Deadlines

- The filing and/or payment deadlines for tax returns and forms (other than the annual income tax return) are extended, i.e. until 20 April 2020 to 15 May 2020, depending on the returns and forms filed and type or group of filers.
- If the ECQ period will be extended further, the filing of returns and payment of the corresponding taxes due thereon, and submission of reports and attachments falling within the extended ECQ period shall also be extended by thirty (30) calendar days from their due dates.

Method of filing and/or payment

- eFPS filers shall continue to settle tax liabilities with the authorized agent banks (AABs) where the taxpayer is enrolled.
- Filers using the eBIRForms Facility are provided with certain payment options (e.g. over-the-counter payment through AABs).
- Taxpayers who are not required to file and pay electronically can use the eBIRForms Facility or file the returns manually.
- Filing of no payment returns shall be made through the eBIRForms Facility.
- The venue requirement for filing and/or payment of withholding taxes and VAT is not waived.

Penalties

- No penalties shall be imposed as the deadlines are extended.






This Guide has updated and consolidated the filing/payment deadlines based on Revenue Memorandum Circular (RMC) No. 26 - 20, as amended by RMC Nos. 29 - 20 and 30 - 20, and may be updated further to cover issuances and guidelines that will be subsequently released by the Bureau of Internal Revenue (BIR).

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When to file?

Expanded Withholding Taxes (EWT) and Final Withholding Taxes (FWT)

for the month of February 2020

21 April 2020		Monthly Remittance Form for EWT and FWT (BIR Form 0619E and 0619F) eFiling for eFPS filers under Group E
22 April 2020		Monthly Remittance Form for EWT and FWT (BIR Form 0619E and 0619F) eFiling for eFPS filers under Group D
23 April 2020		Monthly Remittance Form for EWT and FWT (BIR Form 0619E and 0619F) eFiling for eFPS filers under Group C
24 April 2020		Monthly Remittance Form for EWT and FWT (BIR Form 0619E and 0619F) eFiling for eFPS filers under Group B
27 April 2020		Monthly Remittance Form for EWT and FWT (BIR Form 0619E and 0619F) eFiling for eFPS filers under Group A

Withholding Tax on Compensation (WTC)

for the month of March 2020

11 May 2020	Monthly Remittance Return of Income Taxes Withheld on Compensation (BIR Form 1601C) <ul style="list-style-type: none">• filing and payment for non-eFPS filers• eFiling for eFPS filers under Group E
12 May 2020	Monthly Remittance Return of Income Taxes Withheld on Compensation (BIR Form 1601C) eFiling for eFPS filers under Group D
13 May 2020	Monthly Remittance Return of Income Taxes Withheld on Compensation (BIR Form 1601C) eFiling for eFPS filers under Group C
14 May 2020	Monthly Remittance Return of Income Taxes Withheld on Compensation (BIR Form 1601C) eFiling for eFPS filers under Group B
15 May 2020	Monthly Remittance Return of Income Taxes Withheld on Compensation (BIR Form 1601C) <ul style="list-style-type: none">• eFiling and ePayment for eFPS filers under Group A• ePayment for eFPS filers under Groups E, D, C, and B

Annual Information Return for EWT, FWT, and WTC

30 April 2020

Annual Information Return for EWT (BIR Form 1604E), together with the alphalist

Annual Information Return for WTC and FWT (BIR Form 1604 CF)

Certificate of Compensation Payment/Tax Withheld (BIR Form 2316)

Other reportorial requirements

Filing/submission of other reportorial requirements, the deadline of which falls within the ECQ period, shall be extended for thirty (30) calendar days from their due dates.

VAT

20 April 2020	Monthly VAT Declaration for February 2020 (BIR Form 2550M) filing and payment for non-eFPS filers
21 April 2020	Monthly VAT Declaration for February 2020 (BIR Form 2550M) eFiling for eFPS filers under Group E
22 April 2020	Monthly VAT Declaration for February 2020 (BIR Form 2550M) eFiling for eFPS filers under Group D
23 April 2020	Monthly VAT Declaration for February 2020 (BIR Form 2550M) eFiling for eFPS filers under Group C
24 April 2020	Monthly VAT Declaration for February 2020 (BIR Form 2550M) eFiling for eFPS filers under Group B
27 April 2020	Monthly VAT Declaration for February 2020 (BIR Form 2550M) <ul style="list-style-type: none">• eFiling and ePayment for eFPS filers under Group A• ePayment for eFPS filers under Groups E, D, C, and B Quarterly VAT Return for Fiscal Quarter ending 29 February 2020 (BIR Form 2550Q) eFPS and Non-eFPS filers Quarterly Summary Lists of Sales/Purchases for the Fiscal Quarter ending 29 February 2020 Non-eFPS filers
30 April 2020	Quarterly Summary Lists of Sales/Purchases for the Fiscal Quarter ending 29 February 2020 eFPS filers
11 May 2020	Monthly Remittance Return of Value-Added Tax and Other Percentage Taxes Withheld (BIR Form 1600) eFPS filers and Non-eFPS filers

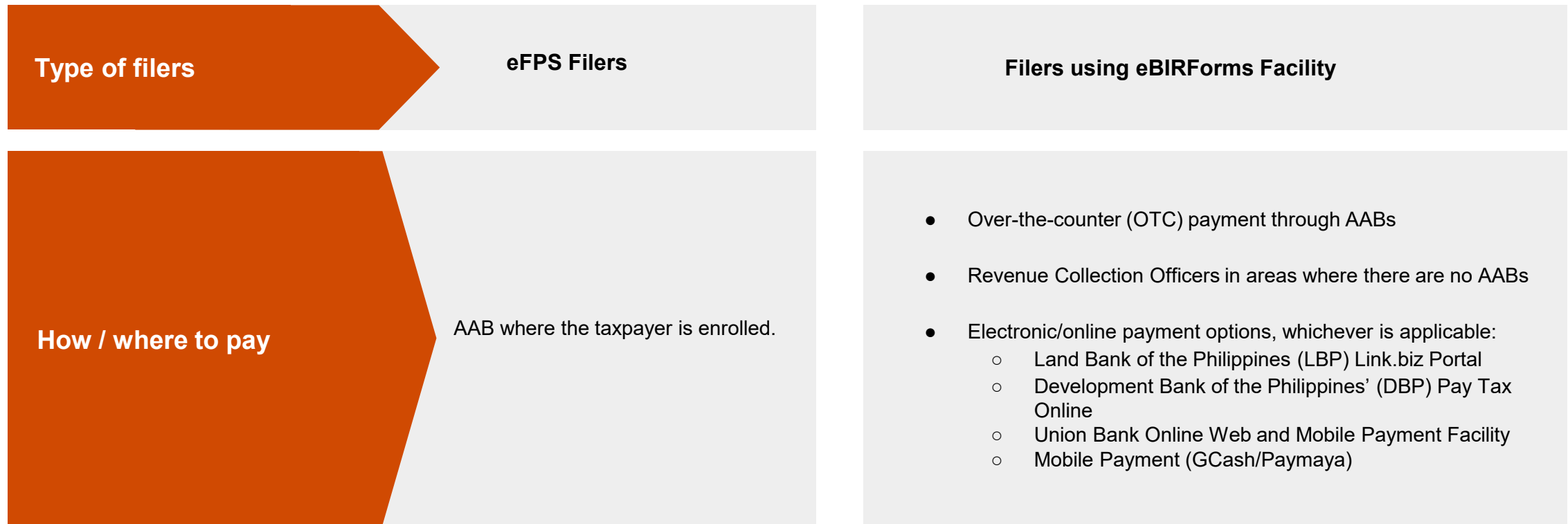
Further extension of the ECQ period

- If the ECQ period will be extended further, the filing of returns and payment of the corresponding taxes due thereon, and submission of reports and attachments falling within the extended ECQ period shall also be extended by thirty (30) calendar days from their due dates.
- The extended deadlines shall apply to the entire Luzon, including the National Capital Region, under the ECQ and/or similar measures, and shall also be deemed applicable to other jurisdictions where concerned Local Government Units have also adopted and implemented ECQ and/or other similar measures in their respective territorial jurisdictions.

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**How to file and/or
pay?**

Method of filing and payment



- Taxpayers who are not mandated to file and pay electronically has the option to use the eBIRForms Facility or to file their tax returns manually.
- Filing of no payment returns shall be made through eBIRForms Facility.
- The venue requirement for filing and/or payment of withholding taxes and VAT is not waived.

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**Will penalties be
imposed?**

Penalties

No penalties shall be imposed as the deadlines falling within the ECQ period are extended.

Let's talk

To help you understand and appreciate the BIR issuances, please contact:



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Thank you

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