



TAX MANAGEMENT ASSOCIATION OF THE PHILIPPINES, INC.



TAX UPDATES FROM SEPTEMBER 15, 2024 TO OCTOBER 15, 2024

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DISCUSSION

REVENUE MEMORANDUM CIRCULARS

1. Revenue Memorandum Circular 109-2024

The Bureau of Internal Revenue has issued Revenue Memorandum Circular 109-2024 which clarifies on the types of checks accepted for payment for One-Time Transaction-Related internal revenue taxes.

Accordingly, the Authorized Agents Banks (AAB) and Revenue Collection Officers (RCO) are authorized to accept cash payments provided that when such payment is made with the RCO, the amount shall not exceed Php20,000.00.

Likewise, the AABs and RCOs are directed to accept only check payments in the form of either Manager’s or Cashier’s checks without regard to its amount to standardize the requirements and expedite the verification process.

2. Revenue Memorandum Circular 112-2024

The Bureau of Internal Revenue has issued Revenue Memorandum Circular 112-2024 which clarifies its earlier revenue issuance regarding the presentation of the original document before the taxpayer could be sold with a loose documentary stamp tax. This rule shall not apply to taxpayers applying for Tax Clearance Certificates. The taxpayer may still be sold with a loose documentary stamp tax following the list of documentary requirements in the BIR Citizen’s Charter

See link for more information: [RMC No. 112-2024.pdf##](#)

3. Revenue Memorandum Circular 113-2024

The Bureau of Internal Revenue has issued Revenue Memorandum Circular 113-2024 dated 15 October 2024 announcing the availability of Update of Taxpayer Classification and resumption of business registration and other registration-related transactions in the Online Registration and Update System (ORUS)

The update of taxpayer classification can now be done through the ORUS by following these steps:

- a. Log in to ORUS account

- b. Go to update information
- c. Select “Correction/Change/Update of Registration”
- d. Click “Update Information” button
- e. Select “Head Office” then “Validate” button
- f. Click “Information to Update” then select “Change/Update of Taxpayer Classification”
- g. The existing classification shall be displayed while the field to indicate the new classification is open. The Taxpayer shall then choose the desired taxpayer classification then click the “Continue” button
- h. Click the “Add Attachment” button to attach the documentary requirements needed to support the request for change in Taxpayer Classification. In case of a downgrade of classification, except from Small to Micro, additional requirement of gross sales shall be submitted.
- i. Review the encoded information then click the “Submit Application” button. Upon submission an application reference number shall be released
- j. Click “Proceed” button. Taxpayer shall receive an email upon successful submission of application for change in Taxpayer Classification.

Downgrade from small to micro shall automatically be approved. For other downgrade, it shall be manually approved by the RDO within seven (7) working days from the date of its submission. Taxpayer is to be notified of the action taken whether the application is approved or disapproved. The BIR likewise announces the resumption of the following services online through the ORUS, to wit:

- a. Registration of Business and Issuance of Electronic Certificate of Registration (ECOR) and Authority to Print (ATP) with Electronic Payment (e-Payment) of Loose Documentary Stamp Tax (DST)
- b. Registration of New Branch
- c. Application for Authority to Print (Subsequent)

Taxpayers who already have access to ORUS shall continue using their log in details. These updates are automatically updated into their account. Non-users shall apply to get access to ORUS following the requirements of Revenue Memorandum Circular 122-2022.

See link for more information: [RMC No. 113-2024.pdf](#)

REVENUE MEMORANDUM ORDER

1. Revenue Memorandum Order 42-2024

The Bureau of Internal Revenue has issued Revenue Memorandum Order 42-2024 dated 2 October 2024 concerning the automatic classification of VAT Refund Claim of Taxpayers whose applications have incomplete or missing information such as no reference details, incomplete or

no transaction details among others on the schedules of sales and purchases following the prescribed format.

This issuance is made by the BIR to amend the pertinent provisions of an earlier issuance in Revenue Memorandum Order 23-2024.

For your reference, refer to this link: [RMO No. 42-2024.pdf](#)

FISCAL INCENTIVES AND REVIEW BOARD

1. FIRB Advisory No. 006-2024

The Fiscal Incentives Review Board (FIRB) has released FIRB Advisory No. 006-2024 implementing interim guidelines on the submission of the employment and compensation data in the Annual Benefits Report (ABR).

According to the advisory, the submission of employment and compensation should be in calendar period. However, as some RBEs are on fiscal year and therefore may not have the employment and compensation data by the time the deadline for submission of ABR and ATIR comes, these RBEs may tentatively report their most recent available employment and compensation data based on either of the following:

- The period covering the start and end of the RBEs fiscal year
- The period covering the calendar year from January 2023 to December 2023

The mode of submission will continue to be governed by FIRB Memorandum Circular 001-2024.

For easier reference, please refer to this link: [FIRB Advisory No. 006-2024: Interim guidelines on the submission of the employment and compensation data in the Annual Benefits Report \(ABR\) – FIRB Website](#)

SECURITIES AND EXCHANGE COMMISSION

1. SEC OGC Opinion No. 24-25

The Securities and Exchange Commission (SEC) Office of the General Counsel has recently released on its website SEC OGC Opinion No. 24-25 dated 19 September 2024 addressing concerns on the possibility of appointing an Assistant Secretary in a Representative Office considering the cost related to consularization of documents needed from the secretary of the corporation located abroad. Below summarizes the opinion of the Office of the General Counsel (OGC):

1. Although the provisions of the Revised Corporation Code are equally applicable to Foreign Corporations as provided under Section 146 of the Revised Corporation Code, however, it does not apply on matters related to creation, formation, organization or dissolution of corporations or those which fix the relation, liabilities, responsibilities, or

duties of stockholders, members, or officers of corporations to each other or to the corporation. Thus, Revised Corporation Code does not apply to the creation of the position of assistant secretary.

2. A representative office has no personality separate from its parent company. For all intents and purposes, it is another office or unit within the organizational structure of its parent company. For this reason, the parent company has the authority to create and consequently appoint officers and/or personnel of its representative office, as may be permitted by its by-laws.
3. The creation of an assistant secretary position on top of a resident agent position, therefore, is allowed provided that it is provided under the by-laws of the parent corporation. The nationality requirement, however, depends on the parent corporation in the absence of any provision in its by-laws providing the same.

You may refer to this link: [Opinion No. 24-25 Re: Creation of a Local Position of Assistant Secretary in a Representative Office](#)