



## Tax Advisory 2022- 76

Dear Valued Clients,

The Bureau of Internal Revenue (BIR) recently issued Revenue Memorandum Circular (RMC) Nos. 27-2022 and 28-2022.

### **Revenue Memorandum Circular No. 27-2022**

*(In connection with RR No. 2-98, as amended by RR No. 11-2018, 7-2019, & 31-2020)*

The BIR issues this circular to inform the taxpayer of the updated list of Top Withholding Agents (TWAs) that are required to withhold on 1% and 2% on their purchases of goods and services, respectively. The application of the rates mentioned in the circular are to purchases which are not specifically identified in Revenue Regulation No. 2-98, as amended. The obligation to deduct and remit the withholding tax mentioned on the circular for these additional TWAs shall commence effective **April 1, 2022**.

Note that any taxpayer not included in the published updated list of TWAs is not required to deduct and remit using the above-mentioned rates.

### **Revenue Memorandum Circular No. 28-2022**

*(Repealing RMC No. 14-2012)*

The BIR clarify the requirement of the Registered Business Enterprises (RBEs) under Investment Promotion Agencies (IPAs) such as PEZA, BOI, CDC, TIEZA, and alike to secure the Certificate of Entitlement to Tax Incentives (CETI), previously called Certificate for Entitlement to Income Tax Holiday, for submission to the BIR together with the Annual Income Tax Return.

This is pursuant to the provisions of Section 3 under Rule 8 of the Implementing Rules and Regulations (IRR) of CREATE Law that all RBEs shall apply for a CETI with their concerned IPA prior to the filing of Annual Income Tax Return (AITR). The CETI shall then be attached to the AITR filed with the BIR as provided by Section 4 Rule 8 of the aforementioned IRR.

The RBEs should be aware that the CETI is a requirement for all RBEs in order to avail of the Income Tax Holiday (ITH) or preferential rate granted by CREATE law.

Please be guided accordingly.

Sincerely,  
**Tax Advisory Services**