



Alas Oplas & Co., CPAs

credibility and honor
defined.

TAX

RULES & NEWS

SERIES NO. 019-2024

IN THIS SERIES:

Latest from BIR

- Revenue Memorandum Order (RMO)

Tax and Business Related News

BKR
INTERNATIONAL | INDEPENDENT
MEMBER

neAOC
#OneAOC

BUREAU OF INTERNAL REVENUE *Issuances*

REVENUE MEMORANDUM ORDER (RMO)

RMO No. 17-2024

May 20, 2024

Amends certain provisions of Revenue Memorandum Order No. 6-2023.

[Full Text](#)

TAX AND BUSINESS RELATED *News*

BIR WEEKENDER BRIEFS

Volume No. 15 Issue No. 20 Week ending May 17, 2024

BIR Revenue District Offices under RR 8A-Makati City temporarily closed two (2) erring business establishments last May 8, 2024.

Click the link below to read the full news from the source:

https://www.bir.gov.ph/images/bir_files/internal_communications_5/2024%20Weekender%20Briefs/v15n20%20FINAL.pdf

Lumagui: Internal Revenue Stamps for Vape Products mandatory by June 1, 2024, and available for orders by May 8, 2024

Bureau of Internal Revenue Commissioner Romeo D. Lumagui Jr. reminded the public that internal revenue stamps will be mandatory for all imported and locally manufactured vape products in the market by June 1, 2024, as stated in Revenue Memorandum Circular No. 59- 2024.

TAX AND BUSINESS RELATED *News*

The 4th generation internal revenue stamps for such products will be available for ordering by May 8, 2024. This requirement will be imposed by the BIR as a way of checking the proper payment of taxes by the vape industry. Lack of internal revenue stamps on vape products means non-payment of excise taxes. Non-payment of excise taxes will make the vape products subject to seizure by the BIR and will expose the business owner to criminal liability for tax evasion.

Click the link below to read the full news from the source:

https://www.bir.gov.ph/images/bir_files/internal_communications_1/2024/Press%20Release/PR30MAY0724.pdf

Lumagui: Criminal Cases filed against Trading Company using P200M+ Fake Receipts supplied by Company Accountant and her Relatives

Bureau of Internal Revenue (BIR) Commissioner Romeo D. Lumagui Jr. reports that the BIR has filed criminal cases today, May 2, 2024, before the Department of Justice (DOJ) against the corporate officers and accountant of a trading company for using P 200,557,697.25 worth of fake receipts. The company used these fake receipts by claiming them as part of its cost of sales for the taxable year 2021. The accountant of the company supplied the receipts of fake businesses owned by her relatives. "The use of fraudulent receipts, whether it be fake receipts or ghost receipts, is tax evasion. This case is particularly deceitful because it was the company accountant which provided for a way to get fake receipts. The company accountant conspired with her relatives to create fake businesses so the company can use the fake receipts of those businesses in claiming expenses. As early as 2023 we have warned business owners not to follow the advice of crooked accountants. The BIR will make sure you will share a jail cell with them," Commissioner Lumagui stated.

Click the link below to read the full news from the source:

https://www.bir.gov.ph/images/bir_files/internal_communications_1/2024/Press%20Release/PR29MAY0224.pdf

TAX AND BUSINESS RELATED

News

Court clears ex-Chief Justice Sereno of tax evasion

GMA News Online / Llanesca T. Panti / May 17, 2024

The Court of Tax Appeals (CTA) has cleared former Chief Justice Maria Lourdes Sereno of tax evasion due to lack of evidence. In a 50-page ruling, the CTA said there is "no prima facie evidence of a false return" in Sereno's case because the Bureau of Internal Revenue (BIR) did not present any computation to ascertain that there has been any misdeclaration in her income tax returns. "We find that the error in petitioner's (Sereno) BIR Form 2316 and annual income tax return, if there was any, was committed without any intent to evade the tax payment on the part of petitioner," the CTA said.

Click the link below to read the full news from the source:

[Court clears ex-Chief Justice Sereno of tax evasion | GMA News Online \(gmanetwork.com\)](https://www.gmanetwork.com/news/economy/1014884/court-clears-ex-chief-justice-sereno-of-tax-evasion)

Recovering overpaid taxes

Business World / Maricel P. Katigbak / May 20, 2024

"Taxes are the lifeblood of any government." Hence, taxpayers must remit the taxes due them and not be allowed to evade and escape giving their fair share to the government. To stay compliant, taxpayers have been guided by the Bureau of Internal Revenue's constant reminders, updates, clarifications, and other revenue issuances on new tax rules. The goal is to pay the right amount of taxes on time. But what happens when taxpayers overpay? Can taxpayers still recover overpaid taxes? Typically, when a taxpayer erroneously overpays taxes, the following options are available: file for a claim for refund or apply the excess payments to next year's taxes. These options are not that unknown to many. While there are no penalties for overpaying, the downside is going through the time-consuming and arduous process of claiming a refund. It is frustrating to taxpayers that refund cases take a long time to be resolved.

TAX AND BUSINESS RELATED *News*

With the Ease of Paying Taxes (EoPT) Law now in place, a better refund process has been established to give taxpayers relief and ease the burden of waiting. In Revenue Regulations No. 5-2024, these changes in the processing of tax refund claims are clarified. RR 5-2024 discussed the rules for refunding excess input VAT, unutilized excess income tax credit, erroneously or illegally received taxes, and penalties imposed without authority. The RR applies to tax credit or refund claims that are filed starting July 1, 2024 onwards.

Click the link below to read the full news from the source:

[Recovering overpaid taxes - BusinessWorld Online \(bworldonline.com\)](#)

DoF seen handling VAT claims in more 'taxpayer-friendly' way

Business World / John Victor D. Ordonez / May 20, 2024

THE Department of Finance (DoF) Revenue Operations Group taking responsibility to handle value-added tax (VAT) refund claims may result in quicker processing and address delays under the Bureau of Internal Revenue (BIR), according to a tax professional. "The experience of the taxpayers right now is that the BIR process is slow or tilted in favor of denying the tax refunds," Eleanor L. Roque, tax principal of P&A Grant Thornton, said in a Viber message. She said the DoF may employ more efficient and taxpayer-friendly measures in processing VAT claims, cutting down delays previously seen with the BIR.

Click the link below to read the full news from the source:

<https://www.bworldonline.com/economy/2024/05/20/596034/dof-seen-handling-vat-claims-in-more-taxpayer-friendly-way/>

TAX AND BUSINESS RELATED *News*

Ease of paying value-added tax?

The Philippine Star / Jessica Chua / May 21, 2024

“Doing business with the BIR and paying taxes has never been easier,” these were the words of Charlito Martin Mendoza, Undersecretary of the Revenue Operations Group of the Department of Finance, as he delivered the keynote message of the Secretary of Finance during the Ease of Paying Taxes (EOPT) Act Roadshow for the NCR cluster. As the name of the law suggests, the EOPT Act aims to increase the government’s revenue by improving tax administration. In a word, the law can be described as “pro-taxpayer” because it is focused more on refining the current voluntary tax compliance system in the hope of encouraging the taxpaying public’s cooperation. To bolster the law, six new revenue regulations (RR) were issued by the Bureau of Internal Revenue (BIR), all of which took effect on April 27, 2024. One of these regulations is RR 03-2024 covering value added tax (VAT) and percentage tax.

1. The sale or exchange took place after the effectivity of RR 03-2024, or starting from April 27, 2024;
2. The sale is on credit or on account;
3. There is a written agreement on the period to pay, i.e., credit terms are provided in the invoice or some other document;
4. VAT is separately presented in the invoice;
5. Sale is specifically reported in the Summary List of Sales covering the period when the sale was made and not reported as part of ‘various’ sales;
6. Seller declared the corresponding output VAT in the VAT return for the period when the sale occurred;
7. The agreed period to pay has elapsed; and
8. VAT component of the uncollected receivable was not claimed as bad debt deduction from gross income.

Furthermore, if the uncollected receivable is eventually recovered, the relevant output VAT shall be added back to the VAT to be paid by the seller during the period of recovery.

Additionally, a different regulation, RR 07-2024, provides for updated guidelines on the invoicing requirements.

Click the link below to read the full news from the source:

[**Ease of paying value-added tax? | Philstar.com**](#)

TAX AND BUSINESS RELATED *News*

CTA denies NFA's petition to suspend collection of P143M real property tax levied by Cabanatuan City

Manila Bulletin / Czarina Nicole Ong Ki / May 21, 2024

For lack of jurisdiction, the Court of Tax Appeals (CTA) has denied the petition filed by the National Food Authority (NFA) which sought to suspend the collection of the P143 million real property tax (RPT) levied against it by the Cabanatuan City government in Nueva Ecija. The NFA filed its Petition for Prohibition on June 9, 2022 before the regional trial court (RTC).

Click the link below to read the full news from the source:

[CTA denies NFA's petition to suspend collection of P143M real property tax levied by Cabanatuan City \(mb.com.ph\)](#)

Recto Lauds new AO enhancing import monitoring with digital pre-border verification and cross-border electronic invoicing, vows to protect PH borders from dangerous imports as committee chair

Department of Finance / May 21, 2024

Finance Secretary Ralph G. Recto has lauded the issuance of Administrative Order (AO) No. 23 which will significantly enhance the monitoring of imported commodities entering the Philippines through electronic means, and has vowed to protect the country's borders from dangerous imports as Chair of the Committee implementing the said initiative. "This initiative is another significant step towards achieving a fully digitalized border protection system in the country where no import goes by unnoticed and unaccounted for. This will certainly go a long way in putting an end to smuggling, misdeclaration, and undervaluation. I thank the President for his support in ensuring that the Bureau of Customs is well-equipped with the necessary technology and support needed to protect our people from illegal and hazardous imports," he said.

Click the link below to read the full news from the source:

<https://www.dof.gov.ph/recto-lauds-new-ao-enhancing-import-monitoring-with-digital-pre-border-verification-and-cross-border-electronic-invoicing-vows-to-protect-ph-borders-from-dangerous-imports-as-committee-chair/>

TAX AND BUSINESS RELATED

News

SEC files complaints vs. four entities

Business World / Revin Mikhael D. Ochave / May 22, 2024

THE Securities and Exchange Commission (SEC) has filed criminal complaints with the Justice department against four entities for allegedly soliciting investments without licenses. The commission lodged complaints against Bear Mountain World, Inc., Beyond Skin Care Ventures, Inc., SCET Colleens Corp., and Great 4 International Marketing Corp. for allegedly violating several provisions of Republic Act No. 8799 or The Securities Regulation Code (SRC), the SEC said in a statement on Tuesday.

Click the link below to read the full news from the source:

[SEC files complaints vs. four entities - BusinessWorld Online \(bworldonline.com\)](https://bworldonline.com)

What back taxes? Roxas-Elizalde group insists RCI updated with tax payments on Nasugbu land not covered by agrarian reform

Bilyonaryo.com / May 23, 2024

Roxas and Co. Inc. (RCI) is adamant that it that it has been consistently paying its tax dues for its Hacienda lands in Nasugbu, Batangas. "RCI is updated with its real property tax payments involving the properties in Nasugbu which have been declared to be exempted from the CARL (Comprehensive Agrarian Reform Law) coverage, with finality, and which were in our possession and control," said RCI. This response comes after the Batangas Provincial Treasurer claimed during a recent public hearing that RCI has not been paying its real property taxes since 2000, with dues estimated to exceed P100 million.

Click the link below to read the full news from the source:

<https://bilyonaryo.com/2024/05/23/what-back-taxes-roxas-elizalde-group-insists-rci-updated-with-tax-payments-on-nasugbu-land-not-covered-by-agrarian-reform/business/>

TAX AND BUSINESS RELATED *News*

Senate chief favors better collection over new taxes

Business World / John Victor D. Ordonez / May 23, 2024

NEW PHILIPPINE Senate President Francis "Chiz" G. Escudero on Thursday said he favors improving tax collection over new taxes. "[Finance] Secretary [Ralph G.] Recto and I are on the same page," he told reporters. "No. 1, improve collection first before imposing new taxes... No. 2, prevent leakages in government and make sure every peso is spent wisely." Mr. Escudero said he is set to meet next week with Mr. Recto, who also shuns new taxes under President Ferdinand R. Marcos, Jr. The Senate on Monday approved on final reading a bill that seeks to impose a 12% value-added tax (VAT) on digital services provided by companies with no physical presence in the Philippines.

Click the link below to read the full news from the source:

<https://www.bworldonline.com/the-nation/2024/05/23/597127/senate-chief-favors-better-collection-over-new-taxes/>

Tax season fails to beef up budget surplus

The Philippine Star / Louise Maureen Simeon / May 24, 2024

MANILA, Philippines — The recent tax season failed to raise the country's budget surplus in April as the growth of state expenditures outpaced what the government collected from revenues. Data from the Bureau of the Treasury showed that the government incurred a lower budget surplus of P42.7 billion in April, 36 percent lower than last year's P66.8 billion. This is the second time this year that the government posted a surplus after the record P88 billion in January. The month of April is typically an excess, although lower year-on-year this time, amid the tax season following the annual income tax return filing. Still, a budget surplus means that the government earned more than what it spent during a given time. The extra money can either be used to pay off debts or be invested in other programs.

Click the link below to read the full news from the source:

<https://www.philstar.com/business/2024/05/24/2357399/tax-season-fails-beef-budget-surplus>

Tax Rules and News by:

Tax Advisory and Compliance Services



*Tax Due Diligence & Tax Compliance Review | Tax Return Preparation & Filing | Tax Audit Advisory & Tax Assessment
Tax Opinion & Studies | Request for Tax Rulings | Tax Seminars & Training | Tax Planning | Application for Tax Refund/Credit | Other Tax Services*

DISCLAIMER!

The AOC Team saw these tax and business-related news on various news sites, and we thought you should see them. Alas Oplas is not responsible for the content of these, and anything written thereon does not necessarily reflect Alas Oplas & Co., CPAs views or opinions.

For any comment or questions on this matter please email us at aocheadoffice@alasooplascpas.com or call us at (02) 7116-4366.