

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

16 June 2003

REVENUE MEMORANDUM CIRCULAR NO. 35-2003

SUBJECT : Guideliness Relating to the Filing and Remittance of Taxes Withheld on Income Payments Made to Suppliers of Agricultural Products, for the Month of June, Under Section 2.57.2 (S) of Revenue Regulations No. 2-98 as amended by Revenue Regulations No. 17-2003.

TO : All Internal Revenue Officers and Others Concerned

Revenue Regulations (RR) No.17-2003 further amending RR 2-98 (Consolidated Withholding Tax Regulations), as amended, took effect on 1 June 2003 after complying with the publication requirement. Among the amendments thereto is the inclusion of income payments to suppliers of agricultural products as subject to the one percent (1%) creditable withholding tax.

Inasmuch as this is a new withholding tax provision, and in order to address the numerous requests to have Section 2.57.2 (S) of RR 2-98 as amended by RR No. 17-2003 disseminated further, this Circular is being issued to:

- (a.) Mandate the Regional Directors to conduct seminar-workshops regarding the implementation of RR No. 17-2003, specifically on the provision governing the one percent (1%) creditable withholding tax on income payments made to suppliers of agricultural products; and
- (b.) Allow the deferment of the filing and remittance of taxes withheld on income payments made to suppliers of agricultural products under Section 2.57.2(s) of RR No. 2-98 as amended by RR No. 17-2003, for the month of June, from 10 July 2003 to 11 August 2003.

Thus, taxes withheld for the month of June can be filed and remitted, without penalty, simultaneously with those for the month of July, on 11 August 2003.

All concerned are hereby enjoined to be guided accordingly and give this Circular as wide publicity as possible.

(Original Signed)
GUILLERMO L. PARAYNO, JR.
Commissioner of Internal Revenue

