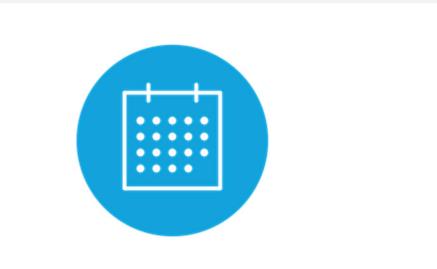
Philippines | Tax & Corporate Services | 18 January 2018



March 31 deadline to change status to non-VAT taxpayer for purposes of 8% tax

Purely self-employed individuals and/or professionals who are VAT-registered taxpayers and whose gross sales/receipts and other non-operating income for the preceding year do not exceed the new P3 million VAT threshold are given up to 31 March 2018 to change their status from "VAT" to "non-VAT" taxpayer to avail of the 8% tax on gross sales or receipts or graduated income tax rates.

The change in status must be done by filing the duly accomplished BIR Form 1905 (Application for Registration Update) with the Revenue District Office (RDO) having jurisdiction over the head office of the concerned taxpayer.

The taxpayer must also signify his/her intention to avail of 8% tax on gross sales or receipts in his/her first quarter return for the taxable year. Otherwise, the taxpayer shall be considered as having availed of the graduated rates, and such election shall be irrevocable for the taxable year.

Click here to view the advisory issued by the BIR.

For inquiries, please contact:

Walter L. Abela Jr. Tax Partner wabela@deloitte.com +63 2 581 9034

Alvin Noel R. Saldana Tax Principal asaldana@deloitte.com +63 2 581 9046 Richard R. Lapres Tax Partner rlapres@deloitte.com +63 2 581 9044



Get in touch











Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/ph/about to learn more about our global network of member firms.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2017 Navarro Amper & Co.

To no longer receive emails about this topic please send a return email to the sender with the word "Unsubscribe" in the subject line.