



Regulatory Updates: COVID-19 in focus



Extension: BIR & SEC Filing

Amidst, the public scare and government mandates to flatten the curve of COVID-19, the Bureau of Internal Revenue (BIR), Securities and Exchange Commission (SEC) and the Monetary Board has issued timely revenue issuances and memorandum circulars extending the reportorial submissions which are supposed to be due by March or April--well within the quarantine period.

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BIR ISSUANCES

Extension of Deadlines for the Filing of Various Returns and Payment of Taxes

Revenue Memorandum Circular No. 29-2020 | March 19, 2020

Below is a summary of the revised deadlines courtesy of P&A Grant Thornton Tax Division.

TAX BRIEFER

Tax Filing and Payment guidelines during the enhanced community quarantine period (Revenue Memorandum Circular Nos. 25-2020, 26-2020, 27-2020, 28-2020 and 29-2020)

This Tax Briefer is prepared to guide and assist taxpayers in their filing and payment of tax returns and other submissions to the BIR during the enhanced community quarantine period (i.e. March 17, 2020 to April 12, 2020).

BIR Forms/Returns Submission of VAT Refund		EXTENDED DEADLINES	
		EFPS FILERS	NON-EFPS FILERS
BIR Form 2550M (Monthly Value Added Tax Declaration) for the month of February 2020 • No extension provided for EFPS filing (staggered e-filing based on group classification)		March 21 - 25 (e-filing) March 25 (e-filing/e-payment for Group A) April 30, 2020 (e-payment for Group E, D, C, B)	April 20, 2020
BIR Form 1600WP (Monthly Remittance of Percentage Tax on Winnings/Prizes by Race Track Operators) for the month of February 2020		April 20, 2020	April 20, 2020
BIR Form 2550Q (Quarterly Value Added Tax Return) for the quarter ended February 29, 2020		April 27, 2020	April 27, 2020
BIR Form 1702Q (Quarterly Income Tax Return) for the quarter ended January 31, 2020		April 30, 2020	April 30, 2020
BIR Form 1604CF (Annual Information Return of Income Taxes Withheld on Compensation and Final Withholding Taxes (including alphalist of employees/ payees) for the year 2019		April 30, 2020	April 30, 2020
BIR Form 1604E (Annual Information Return of Creditable Income Taxes Withheld) (together with the alphalist of payees) for the year 2019		April 30, 2020	April 30, 2020
BIR Form 2316 of employees qualified for substituted filing for the year 2019		April 30, 2020	April 30, 2020
BIR Form 2000 and 2000-OT (Documentary Stamp Tax) for the month of March 2020		May 5, 2020	May 5, 2020
BIR Form 2200-M (Excise Tax Return for Mineral Products) for the month of March 2020		May 11, 2020	May 11, 2020
BIR Form 1600 (Monthly Remittance Return for VAT/Percentage Tax Withheld), together with Alphalist for the month of March 2020		May 11, 2020	May 11, 2020
BIR Form 1606 (Withholding Tax Remittance Return For Onerous Transfer of Real Property Other than Capital Asset (Including Taxable and Exempt) for the month of March 2020		May 11, 2020	May 11, 2020
BIR Form 1601C (Monthly Remittance Return of Income Taxes Withheld on Compensation) for the month of March 2020 - staggered e-filing for groups E, D, C, and B		May 11 - 14, 2020 (e-filing and e-payment)	May 11, 2020
BIR Form 1700, 1701/1701A, 1702RT/MX/EX (Annual Income Tax Return) • Taxpayers may file and pay the corresponding taxes due to any AAB nearest to the location of the taxpayer or to any Revenue Collection Officer (RCO) under the Revenue District Office (file and pay anywhere)		May 15, 2020	May 15, 2020
ONETT Transactions (BIR Form No. 1706, 1707, 1800, 1801 and 1606) (for those whose deadlines fall within the quarantine period)		30 calendar days from due date	30 calendar days from due date
VAT Refund application for Quarter ending March 31, 2018 "counting of the 90-day processing period for VAT refund currently being evaluated and for those that may be received from March 16 April 14, 2020 is suspended"		April 30, 2020	April 30, 2020

• No payment returns shall be filed through either EFPS or eBIRForms facility only.

• Payment options for those who shall file manually or thru eBIRForms Facility:

- Over-the-counter (OTC) payment through AABs;
- Revenue Collections Officers (RCOs) in areas with no AABs;
- Electronic/online payment:

- a. Land Bank of the Philippines (LBP) Link.biz Portal - for those with ATM account with LBP and/or holders of Bancnet ATM/ Debit/ Prepaid Card
- b. Personet Facility - for depositors of RCBC and Robinsons Bank
- c. Development Bank of the Philippines (DBP) Pay Tax Online - for those with VISA/ MasterCard Credit Cards and/or Bancnet ATM/ Debit Card
- d. Union Bank Online Web and Mobile Facility- for those with Union Bank account
- e. Mobile Payment (GCash/ Paymaya)

Link:

- <https://www.grantthornton.com.ph/globalassets/1.-member-firms/philippines/tax-alerts/2020/03.20.2020/pataxbriefer.filing-and-payment-guidelines-during-the-enhanced-community-quarantine.jpg>

Filing of the 2019 Income Tax Returns and Submission of Required Attachments

Revenue Memorandum Circular No. 28-2020 | March 18, 2020

Taxpayers may file and pay their 2019 Annual Income Tax Return (AITR) until May 15, 2020 without penalties. This is an extension of the April 15, 2020 filing and payment deadline as reiterated in RMC 25-2020.

Further, taxpayers may file and pay the corresponding taxes due thereon to any Authorized Agent Banks (AABs) nearest to the location of the taxpayer or to any Revenue Collection Officer (RCO) under the Revenue District Office (i.e., file and pay anywhere).

NOTE: The RMC amends RMC 25-2020. It is not clear though whether the provisions of RMC 25 which allows amendment without penalties and filing of attachments until June 15 are retained.

Link:

- https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/2020%20RMCs/RMC%20No.%2028-2020.pdf

Extended deadline for Q1 2018 VAT refund application; suspended counting of 90-day processing period

Revenue Memorandum Circular No. 27-2020 | March 18, 2020

Filing of VAT refund application covering the quarter ending March 31, 2018 shall be accepted until April 30, 2020.

For VAT refund claims that are currently being evaluated and those that may be received/filed from March 16 to April 14, 2020, the counting for the 90-day processing period is suspended. The counting shall resume after the lifting of the "Community Quarantine" issued by the President.

Link:

- https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/2020%20RMCs/RMC%20No.%2027-2020.pdf

Tentative filing of returns during the quarantine period; extended period to submit 2316, alphalist, 1604E and 1604CF

RMC No. 26-2020 | March 18, 2020

[Provisions on filing and payment already amended by RMC 29-2020]

To address concerns brought about by the community quarantine, the following guidelines are provided by the BIR:

- Taxpayers may file tentative returns of the covered returns and shall be given 30 days from the aforesaid due dates to file the final tax returns and pay the taxes due

thereon. NOTE: The circular did not specifically provide waiver of penalties, hence, filing and payment of returns on or before above due dates is advised to avoid penalties.

- Filing of no payment returns shall be made through either eFPS or eBIRForms facility only.
- Online payment options for those filing who shall manually file or file thru eBIRForms Facility are available.
- The extended March 31, 2020 deadline for submission of the following BIR forms has been extended further to April 30, 2020:
 - BIR Form 1604CF, including the alphalist for employees/ payees
 - BIR Form 2316; and
 - BIR Form 1604E, together with the alphalist of payees.

Below is the summarized modes of filing/payment of the above returns:

Taxpayers	Mode of Filing	Mode of Payment
With Payment		
EFPS Taxpayers	Online thru EFPS	Online thru Authorized Agent Banks (AABs)
Non-EFPS Taxpayers	Online thru eBIRForms Facility OR manual filing for those not mandated to use eBIRForms	Any of the following options: 1. Over-the-counter (OTC) payment through AABs; 2. Revenue Collections Officers (RCOs) in areas with no AABs; 3. Electronic/ online payment: a. Land Bank of the Philippines (LBP) Link.Ziz Portal- for those with ATM account with LBP and/or holders of Bancnet ATM/ Debit/ Prepaid Card b. Pesonet Facility- for those depositor of RCBC and Robinsons Bank c. Development Bank of the Philippines (DBP) Pay Tax Online- for those with VISA/ MasterCard Credit Cards and/or Bancnet ATM/ Debit Card d. Union Bank Online Web and Mobile Facility- for those with union bank account e. Mobile Payment (GCash/ Paymaya)
Without Payment	Mandatory online filing thru eBIRForms Facility	Not applicable

Link:

- https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/2020%20RMCs/RMC%20No.%2026-2020_copy.pdf

SEC ISSUANCE

Guidelines for the Filing of General Information Sheet (GIS) During the COVID-19 Outbreak and Enhanced Community Quarantine

SEC Memorandum Circular (MC) No. 9, Series of 2020| March 18, 2020

Introduction

On March 18, 2020, the SEC approved the issuance of Memorandum Circular No. 9, series of 2020, wherein it recognizes the impact of COVID-19 to the regular operations of registered corporations, as well as on their compliance with the requirements of the Revised Corporation Code on reporting the names, nationalities, shareholdings, and residence address of elected directors, trustees, and officers, or the fact of non-holding of any such election, within 30 days from the scheduled date of election. In view of this, the SEC adopted several measures in easing the burden of the business sector in filing the GIS which contains the aforementioned information.

Guidelines

1. Where an election of directors, trustees and officers was held, the GIS shall be submitted within 30 days from actual meeting through mail, private courier, or email at mlmliwanag@sec.gov.ph, mdtmabuyo@sec.gov.ph, or cmdnotice@sec.gov.ph.
2. Where an election of directors, trustees and officers was NOT held due to health and safety reasons and the corporation has no facilities for remote communication, such fact shall be reported to the SEC through a notice within 30 days from the original meeting date either through mail courier or by email, accompanied by a statement specifying a new date for election which is within 60 days from the originally scheduled date.
3. Where there is a non-holding of annual meeting of election of directors, trustees, or officers due to reasons other than those mentioned in item no. (2) above, such fact shall be reported to the SEC within 30 days from the date of the scheduled election, and shall specify the new date for election which shall not be later than 60 days from the scheduled date. The non-holding of election initially reported as due to health and safety reasons may nevertheless be considered as a non-holding of election due to other causes if, upon application of a stockholder, member, director, or trustee, it has been verified that the non-holding of election is not related to the COVID-19 disease. Further, if it is likewise found that the non-holding of election is unjustified, the SEC shall issue an order directing the issuance of a notice stating the time and place of an election.

The report on non-holding of annual meeting shall be submitted to cmdnotice@sec.gov.ph and shall contain the (a) corporate name; (b) SEC registration number; (c) date of annual meeting per by-laws; (d) date of actual meeting; (e) reason

for the non-holding of meeting; (f) venue of the intended meeting; and (g) dated signature of the Corporate Secretary.

The results of the election of directors, trustees, or officers subsequent to the report of non-holding of elections and which is held outside the covered period, shall be reported to the SEC through the submission of a GIS within 30 days from the date of actual meeting when the election was held. The GIS submitted pursuant to this shall no longer enjoy the same forbearance from the penalty for late submission as provided in item no. (1) above.

Extension of Coverage

The SEC reserves the right to extend the covered period as deemed necessary upon evaluation of ensuing developments relative to the COVID-19 situation.

Effectivity

This memorandum circular approved on March 18, 2020 shall take effect immediately.

BSP ISSUANCE

Additional Operational Relief for BSP-supervised Financial Institutions (BSFIs) Affected by Measures to Manage the Corona Virus Disease 2019 (COVID-19) Situation and its Health and Safety Risks.

Monetary Board Resolution No. 403 | March 19, 2020

Period of Eligibility

The additional operational relief may be availed of by BSFIs for the duration of the enhanced community quarantine and 1 month thereafter, and may be extended depending on the developments related to the COVID-19 situation.

Additional Relief Measures

The additional operational relief measures that are available to BSFIs are as follows:

1. Relaxation in the regulations governing the submission of reports and other documents to the BSP-Financial Supervision Sector (FSS)
 - a. The submission of required reports that fall due within March to May 2020 is suspended until further notice, except for Financial Reporting Package for Banks (FRP), the Consolidated Foreign Exchange (FX) Position Report, event-driven report requirements and reserve requirement-related reports (which include the following: Consolidated Daily Report of Condition, Weekly Report on Required and Available Reserves Against Deposit Liabilities, Consolidated Report on Required and Available Reserves Against Deposit Substitutes and Special Financing, and Weekly Reserve Report on Trust and Other Fiduciary Accounts).
 - b. The pertinent provisions under M-2020-008 dated March 14, 2020 shall apply in the submission of the FRP, FX Position Report, event-driven report requirements and the reserve requirement-related reports.
 - c. Submission of the notarized certification related to the FRP, FX Position Report, event-driven report requirements and the reserve requirement-related reports, as applicable, shall be waived.
 - d. Reports or documents sent through an official email address of the BSFI to the BSP-FSS during the enhanced community quarantine period shall be recognized as an authorized submission without need for a physical signature, provided that the submission shall be made in accordance with the provisions of M-2020-007 dated March 14, 2020.
2. Extension in the period of compliance with BSP supervisory requirements
 - a. The period of compliance with BSP supervisory and notification requirements shall be extended until the end of June 2020 for those imposed by the BSP-FSS

prior to March 8, 2020 and which fall due within the months of March to May 2020, unless otherwise directed by the concerned supervising department.

- b. The period within which a BSFI is required to comply with the submission of documentary requirements related to activities that fall under a Type C license, as applicable, shall be extended, until end of June 2020, for those that fall due within the months of March to May 2020.
 - c. The documentary requirements shall be submitted by the BSFI to the BSP in accordance with prevailing guidelines at the time of submission.
3. Increase in the single borrower's limit (SBL) from 25% to 30% for a period of 6 months from March 19, 2020, pursuant to national interest.
4. Relaxation in the maximum penalty that may be imposed for reserve deficiencies, which shall be the Overnight Lending Facility rate plus 50 basis points, provided that the maximum reserve deficiency of the BSFI shall be 200 basis points above the reserve requirement.
5. Relaxation of the notification requirements related to changes in banking hours, wherein a bank need not inform the BSP of changes in banking hours during the enhanced community quarantine period.
6. Relaxation of the notification requirements on the temporary closure of bank branch/branch-lite units and BSFI offices/service units.

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