



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

December 18, 2017

REVENUE MEMORANDUM CIRCULAR NO. 100-2017

**SUBJECT :** Clarifying the Sanctions for the Non-Submission of Alphabetical List of Employees/Payees of Income Payments

**TO :** All Internal Revenue Officers and Others Concerned

Section 57 and 79(A) of the Tax Code of 1997, as implemented by Revenue Regulations No. 2-98, as amended, require the withholding of taxes by the payor of income/employer (withholding agent) on certain income payments and on salaries and wages of employees, respectively. Such taxes withheld shall then be remitted by the withholding agent to the BIR by filing the monthly remittance returns (BIR Form 1601E, 1601F, 1601C) and paying the corresponding tax due.

In addition to the filing of remittance returns and payment of the taxes withheld, withholding agents are likewise required, pursuant to Section 58(C) and 83(B) of the same Code, to submit to the BIR an Annual Information Return (BIR Form 1604E, 1604CF) together with the Alphabetical List of Payees/Employees. Such return is a no payment return. Instead, it contains, among others, the information regarding the monthly remittance of taxes withheld and the summary of payees from whom taxes were withheld and already remitted to the BIR during the taxable year.

With the filing of monthly remittance returns and payment of the taxes withheld, the requirement for the deductibility of expenses which have been subjected to withholding tax were already complied. Thus, failure to file the Alphabetical List of Payees/Employees or failure to re-submit the complete and corrected alphabetical list after the validation process conducted by the BIR shall not result to the non-deductibility of the expenses considering that the taxes corresponding thereto were already withheld and remitted.

However, considering that failure/non-filing of alphabetical list of payees/employees or the failure to submit the complete or corrected one is a violation of the provisions of the Tax Code and existing issuances, a compromise penalty of One Thousand Pesos (P1,000.00) shall be imposed for each failure to make, file or submit the said information return which aggregate amount to be imposed for such failures during the calendar year shall not exceed Twenty Five Thousand Pesos (P25,000.00), pursuant to Revenue Memorandum Order No. 7-2015. Payment of the compromise penalty shall, in no way, relieve the withholding agent from the submission of the required Alphabetical List or the complete or corrected alphabetical list.

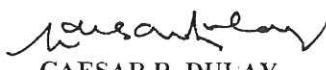
This Circular supersedes Revenue Memorandum Circular No. 5-2014, in so far as Item No. 15 is concerned, and all other issuances inconsistent herewith.

All concerned are hereby enjoined to give this Circular a wide publicity as possible.

BUREAU OF INTERNAL REVENUE  
RECORDS MGT. DIVISION

10:35 A.M.  
DEC 19 2017

RECEIVED

  
CAESAR R. DULAY  
Commissioner of Internal Revenue

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R.C. Manabat & Co.  
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