

[REVENUE REGULATIONS NO. 14-2018, April 20, 2018]

AMENDING THE PROVISIONS OF REVENUE REGULATIONS NO. 11-18, PARTICULARLY SECTIONS 2 AND 14

Adopted: 28 March 2018

Date Filed: 20 April 2018

SECTION 1. SCOPE - Pursuant to the provisions of Section 244 in relation to Section 245 of the National Internal Revenue Code of 1997 (Tax Code of 1997) as amended, these Regulations are hereby promulgated to amend certain provisions of Revenue Regulations (RR) No. 11-2018.

SECTION 2. AMENDATORY PROVISIONS – The provisions of Sections 2 and 14 of RR 11- 2018, are hereby amended as follows:

SECTION 2. Certain items of Section 2.57.2 of RR No. 2-98 is hereby renumbered and further amended to read as follows:

SECTION 2.57.2. Income Payments Subject to Creditable Withholding Tax and Rates Prescribed Thereon. – Except as herein otherwise provided, there shall be withheld a creditable income tax at the rates herein specified for each class of payee from the following items of income payments to persons residing in the Philippines:

(A) Professional fees, talent fees, etc. for services rendered – On the gross professional, promotional, and talent fees or any other form of remuneration for the services rendered by the following:

Individual payee :

If gross income for the current year did not exceed P3M - Five percent (5%);

If gross income is more than P3M **or** - Ten percent (10%)

VAT Registered regardless of amount

Non -individual payee :

If gross income for the current year did not exceed P720, 000 - Ten percent (10%);

If gross income exceeds P720, 000 - Fifteen percent (15%)

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SECTION 14. TRANSITORY PROVISIONS. Income recipient / payee subject to withholding tax under Section 2 (Section 2.57.2) hereof and availing to be exempt from the prescribed withholding tax rates,