

[LTFRB MEMORANDUM CIRCULAR NUMBER 2006 - 074, December 29, 2006]

SUBMISSION OF INCOME TAX RETURNS AND PENALTY FOR NON-COMPLIANCE THEREOF

Pursuant to Memorandum Circular No. 2005-026 dated 04 August 2005, the Board deferred until 31 May 2006 the implementation of Memorandum Circular No. 2005-013 (Re: Submission of Tax Clearance instead of Income Tax Returns) dated 09 May 2005, and reinstated the provisions of Memorandum Circular No. 2004-038 (Re: Submission of Income Tax Returns) dated 19 November 2004.

On 13 July 2006, the Board issued Memorandum Circular No. 2006-050 further suspending, until further orders, the implementation of Memorandum Circular No. 2005-013 (Re: Submission of Tax Clearance instead of Income Tax returns) dated 09 May 2005. As it stands now, operators of public utility vehicles are required to strictly comply with the provisions Memorandum Circular No. 2004-038 (Re: Submission of Income Tax Returns) dated 19 November 2004.

After consultations with the leaders of the various transport groups and due to the clamor of the operators of public utility vehicles, however, the Board hereby amends the Fourth Paragraph of Memorandum Circular No. 2004-038, to read as follows:

"In view of the above cited provisions and pursuant to the policy of the Board to coordinate with other government agencies in realizing the programs of the government, the Board hereby requires all operators to submit their Income Tax Returns (ITR) duly received by the Bureau of Internal Revenue (BIR) **on or before the 15th day of May of each year. Failure to submit the ITR on time shall subject the operator to a penalty in the amount of TWO HUNDRED FIFTY PESOS (Php250.00) per year.** If the operator pays the penalty but does not submit the required ITR, his/her unit/s shall not be confirmed for purposes of registration until and unless he/she files the required ITR."

This Memorandum Circular supersedes any and all issuances inconsistent herewith and shall be effective fifteen (15) days after its publication in a newspaper of general circulation or in the Official Gazette.

Adopted: 29 Dec. 2006

(SGD.) THOMPSON C. LANTION

Chairman

(SGD.) MA. ELLEN DIRIGE-CABATU

(SGD.) GERARDO A. PINILI