

BIR Form No. 1601-C Monthly Remittance Return of Income Taxes Withheld on Compensation Guidelines and Instructions

Who Shall File

This return shall be filed in triplicate by every withholding agent (WA)/payor who is either an individual or non-individual, required to deduct and withhold taxes on compensation paid to employees. If the Government of the Philippines or any political subdivision agency or instrumentality thereof, as well as a government-owned or controlled corporation, is the employer, the return may be made by the officer or employee having control of payment of compensation/other income payment or other officer or employee appropriately designated for the purpose.

If the person required to withhold and pay the tax is a corporation, the return shall be made in the name of the corporation and shall be signed and verified by the president, vice-president, or any authorized officer and countersigned by the treasurer or assistant treasurer.

With respect to a fiduciary, the return shall be made in the name of the individual, estate or trust for which such fiduciary acts and shall be signed and verified by such fiduciary. In case of two or more joint fiduciaries, the return shall be signed and verified by one of such fiduciaries.

In the case of hazardous employment, the employer in the private sector shall attach to BIR Form No. 1601-C, for return periods March, June, September and December a copy of the list submitted to the Department of Labor & Employment Regional/Provincial Offices – Operations Division/Unit. The list shall show the names of the Minimum Wage Earners who received the hazard pay, period of employment, amount of hazard pay per month and justification for payment of hazard pay as certified by said DOLE/allied agency that the hazard pay is justifiable. In the same manner, for the aforementioned return periods, employer in the public sector shall attach a copy of Department of Budget and Management (DBM) circular/s or equivalent, as to who are allowed to receive hazard pay.

When and Where to File and Remit

The return shall be filed and the tax paid on or before the tenth (10th) day of the month following the month in which withholding was made except for taxes withheld for December which shall be filed/paid on or before January 15 of the succeeding year.

Provided, however, with respect to non-large and large taxpayers who availed of the EFPS (Electronic Filing and Payment System), the deadline for electronically filing the return and paying the taxes due thereon via EFPS shall be five (5) days later than the deadline set above.

The return shall be filed and the tax paid with the Authorized Agent Bank (AAB) of the Revenue District Office having jurisdiction over the withholding agent's place of business/office. In places where there are no Authorized Agent Banks, the return shall be filed and the tax paid with the Revenue Collection Officer or the duly Authorized City or Municipal Treasurer within the Revenue District where the withholding agent's place of business/office is located, who will issue a Revenue Official Receipt (BIR Form No.2524) therefor.

Where the return is filed with an AAB, taxpayer must accomplish and submit BIR-prescribed deposit slip, which the bank teller shall machine validate as evidence that payment was received by the AAB. The AAB receiving the tax return shall stamp mark the word "Received" on the return and also machine validate the return as proof of filing the return and payment of the tax by the taxpayer, respectively. The machine validation shall reflect the date of payment, amount paid and transaction code, the name of the bank, branch code, teller's code and teller's initial. Bank debit memo number and date should be indicated in the return for taxpayers paying under the bank debit system.

A taxpayer may file a separate return for the head office and for each branch or place of business/office or a consolidated return for the head office and all the branches/offices except in the case of large taxpayers where only one consolidated return is required.

Penalties

There shall be imposed and collected as part of the tax:

1. A surcharge of twenty five percent (25%) for each of the following violations:
 - a. Failure to file any return and pay the amount of tax or installment due on or before the due date;
 - b. Unless otherwise authorized by the Commissioner, filing a return with a person or office other than those with whom it is required to be filed;
 - c. Failure to pay the full or part of the amount of tax shown on the return, or the full amount of tax due for which no return is required to be filed on or before the due date;
 - d. Failure to pay the deficiency tax within the time prescribed for its payment in the notice of assessment.
2. A surcharge of fifty percent (50%) of the tax or of the deficiency tax, in case any payment has been made on the basis of such return before the discovery of the falsity or fraud, for each of the following violations:
 - a. Willful neglect to file the return within the period prescribed by the Code or by rules and regulations; or
 - b. In case a false or fraudulent return is willfully made.
3. Interest at the rate of twenty percent (20%) per annum, or such higher rate as may be prescribed by rules and regulations, on any unpaid amount of tax, from the date prescribed for the payment until the amount is fully paid.
4. Compromise penalty.

Violation of Withholding Tax Provisions

Any person required to withhold, account for, and remit any tax imposed by the National Internal Revenue Code or who willfully fails to withhold such tax, or account for and remit such tax, or aids or abets in any manner to evade any such tax or the payment thereof, shall, in addition to other penalties provided for under this Law, be liable upon conviction to a penalty equal to the total amount of the tax not withheld, or not accounted for and remitted.

Any employer/withholding agent who fails or refuses to refund excess withholding tax shall, in addition to the penalties provided in the other provisions of the National Internal Revenue Code, be liable to a penalty equal to the total amount of refunds which was not refunded to the employees resulting from any excess of the amount withheld over the tax actually due on their return.

Any person required under the National Internal Revenue Code or by rules and regulations promulgated thereunder to pay any tax, make a return, keep any record, or supply correct and accurate information, who willfully fails to pay such tax, make such return, keep such record, or supply such correct and accurate information, or withhold or remit taxes withheld, or refund excess taxes withheld on compensation, at the time or times required by law or rules and regulations shall, in addition to the other penalties provided by law, upon conviction thereof, be punished by a fine of not less than ten thousand pesos (₱ 10,000.00) and suffer imprisonment of not less than one (1) year but not more than ten (10) years.

Every officer or employee of the Government of the Republic of the Philippines or any of its agencies and instrumentalities, its political subdivisions, as well as government-owned or controlled corporations, including the Bangko Sentral ng Pilipinas, who, under the provisions of the Code, as amended, or regulations promulgated thereunder, is charged with the duty to deduct and withhold any internal revenue tax and to remit the same in accordance with the provisions of the Tax Code, as amended, and other laws is guilty of any offense herein below specified shall, upon conviction of each act or omission, be fined in a sum not less than five thousand pesos (₱ 5,000) but not more than fifty thousand pesos (₱ 50,000) or imprisoned for a term of not less than six (6) months and one day but not more than two (2) years, or both:

- a) Those who fail or cause the failure to deduct and withhold any internal revenue tax under any of the withholding tax laws and implementing regulations;
- b) Those who fail or cause the failure to remit taxes deducted and withheld within the time prescribed by law, and implementing regulations; and
- c) Those who fail or cause the failure to file a return or statement within the time prescribed, or render or furnish a false or fraudulent return or statement required under the withholding tax laws and regulations.

If the withholding agent is the Government or any of its agencies, political subdivisions or instrumentalities, or a government-owned or controlled corporation, the employee thereof responsible for the withholding and remittance of tax shall be personally liable for the additions to the tax prescribed by the National Internal Revenue Code.

Attachment Required

1. For amended return, proof of remittance and the return previously filed
2. For advance payments, BIR Form No. 0605
3. For Private Sector, copy of the list submitted to the DOLE Regional/Provincial Offices – Operations Division/Unit.
4. For Public Sector, copy of Department of Budget and Management (DBM) circular/s or equivalent.

Note: All background information must be properly filled up.

- All returns filed by an accredited tax representative on behalf of a taxpayer shall bear the following information:
 - a. For CPAs and others (individual practitioners and members of GPPs):
 - a.1 Taxpayer Identification Number (TIN); and
 - a.2 Certificate of Accreditation Number, Date of Issuance, and Date of Expiry.
 - b. For members of the Philippine Bar (individual practitioners, members of GPPs):
 - b.1 Taxpayer Identification Number (TIN); and
 - b.2 Attorney's Roll Number or Accreditation Number, if any.
- Box No. 1 refers to transaction period and not the date of filing this return.
- The last 4 digits of the 13-digit TIN refers to the branch code.
- TIN = Taxpayer Identification Number

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