

BIR Form No. 1603Q

January 2018 (ENCS)

Quarterly Remittance Return

of Final Income Taxes Withheld on Fringe Benefits Paid to Employees Other Than Rank and File



Page 1	an "X". Tw	nnation in CAPTTAL i					"		10030	םסו/וט ב	INCOFI
1 For the Year 2	Quarter			3 Amended		4 Any Ta	ixes Wi	ithheld?	5 No. of 9	Sheet/s A	ttached
	1st 2	nd 3rd	4th	Yes	No		Yes	No			
		Par	rt I – Back	ground Info	rmation						
C Tayrayyar Idantificatio	an Niconala au (TINI)	ı aı	I - Back	ground into		,		7.5	200.0-4		
6 Taxpayer Identification Number (TIN)											
8 Withholding Agent's N	Name (Last Name, Fi	irst Name, Middle N	lame for Indi	ividual OR Reg	istered Name i	for Non-Indiv	ridual)				
9 Registered Address (In	ndicate complete address. If b	branch, indicate the branch a	address. If the regis	stered address is differ	ent from the current a	address, go to the l	RDO to upda	ate registered a	ddress by using E	BIR Form No.	1905)
	<u> </u>	<u> </u>									
			1 1 1	1 1 1	1 1 1	1 1 1	1 1	9A ZIF	Code		1 1
10 Contact Number			11	Category of	\\/ithhaldina	Agont		Private] Covo	rnment
10 Contact Number				Category or	vvitinioiding	Agent		_ I IIVali] Gove	illille ill
12 Email Address	<u> </u>	<u> </u>									
13 Are there payees availing		Yes No	13A If y	es, specify		1 1 1	1 1	1 1 1	1 1	1 1	1 1
Special Law or International	Tax Treaty?		Part II — Co	emputation of	of Tay						
			art II – Co	inputation C	пах					_	
14 Total Taxes Withheld	(from Part IV - Sched	dule 1)									
15 Less: Tax Remitted in	n Return Previousl	y Filed, if this is	an amend	led return		1	1 1	. 1 1	I 1		l , .
16 Other Remittar	nces Made (specify)								II I		
	ices iviaue (specily)									•	
17 Total Remittan	ices Made (Sum of I	tems 15 and 16)				1 1 1					1 1
18 Tax Still Due/(Over-	remittance) (Item 14	Less Item 17)					1 1	I 1 1	I 1		
										•	
Add: Penalties 19 S	urcharge									•	
20 Ir	nterest					₁ _	1 L	I	I <u>1</u>	•	l ı
21 C	Compromise						1	<u> </u>	<u> </u>		
22 To	otal Penalties (Sum	n of Items 19 to 21)					1 1	I	ı	, I.	
23 TOTAL AMOUNT ST	ΓILL DUE (Sum of It	tems 18 and 22)					1 1	I	1		
I/We declare under the penaltic											
correct, pursuant to the provisions contemplated under the Data Priva								nsent to the p	processing of r	ny informat	tion as
For Individual:	10) 7 100 01 20 12 (1 11 11 11 11 11	orroy for logitimate and	a lama parpood	For Non-In		077 dd(770772dd077	iottory				
Cianatura avan Drieta d Nam	f T	ninad Danuaranta	tive/Tev As	s.m.t.	Signature of	vor Drintod	Nome	f Drasidan	t//ioo Dros	idont/	
Signature over Printed Nam (Inc.	dicate Title/Designation		.live/ rax Age		d Officer or R						and TIN)
Tax Agent Accreditation N			D	ate of Issue			Date	e of Expir	у		
Attorney's Roll No. (if applica	able)		,	MM/DD/YYYY)			(MN	//DD/YYYY,)		
D (1)	[D			etails of Pay		Ţ.		•			
Particulars	Drawee Bank/Agency	Number		Date (MM/DI	D/YYYY)			Amo	ount		_
24 Cash/Bank Debit Memo											
25 Check								<u> </u>	ĺ		
26 Tax Debit Memo					1 1 1		1 1	I	1 1		
27 Others (specify below)									•		
					1 1 1		1 1				
Machine Validation/Reven	ue Official Receipt D	etails (if not filed w	vith an Autho	orized Agent Ba	nk)				/AAB and I		Receipt
						((RO's Si	ignature/B	ank Teller'	s Initial)	

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of Final Income Taxes Withheld on Fringe Benefits Paid to Employees Other Than Rank and File



Ш	N		Withholding Agent's Name (Last Name for Individual OR Registered Name for Non-Individual)							
						1 1 1				
	Part IV – Details of Taxes Withheld									
Sch	Schedule 1 – Computation of Tax									
	Recipients (A)				Monetary Value of Fringe Benefit (C)					
1	In General, for Citizen, Resident Alien and Non-Resident Alien Engaged in Trade or Business Within the Philippines					I			•	
2	Non-Resident Alien Not Engaged in Trade or Business Within the Philippines					<u> </u>			•	
Schedule 1 (continuation)										
	Percentage Divisor (D)	Divisor Tax Base Grossed-up Monetary Value (E)			Taxes Withheld (G) = (E x F)					
1	65%			35%		I			•	
2	75%			25%		<u> </u>			•	
3	3 Total Taxes Withheld (Sum of Items 1 and 2) (To Part II, Item 14)					<u> </u>		<u> </u>	•	

Guidelines and Instructions for BIR Form No. 1603Q [January 2018 (ENCS)]

Quarterly Remittance Return of Final Income Taxes Withheld on Fringe Benefits Paid to Employees Other Than Rank and File

Who Shall File

This quarterly withholding tax remittance return shall be filed in triplicate by every withholding agent (WA)/payor required to deduct and withhold taxes on fringe benefits furnished or granted to employees other than rank and file employees subject to Final Withholding Taxes.

rank and file employees subject to Final Withholding Taxes.

If the person required to withhold and pay/remit 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.

If the Government of the Philippines or any of its agencies, political subdivisions or instrumentalities, or a government-owned or controlled corporation, is the withholding agent/payor, the return shall be accomplished and signed by the officer or employee having control of disbursement of income payments or other officer or employee

appropriately designated for the purpose.

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.

Authorized Representative and Accredited Tax Agent filing, in behalf of the taxpayer, shall also use this return to pay/remit the final taxes withheld.

When and Where to File and Pay/Remit

When and Where to File and Pay/Remit

The quarterly withholding tax remittance return shall be filed and the tax paid/remitted not later than the last day of the month following the close of the quarter during which withholding was made.

Provided, however, that with respect to non-large and large taxpayers who shall file through the Electronic Filing and Payment System (eFPS), the deadline for electronically filing the return and paying/remitting the taxes due thereon shall be in accordance with the provisions of existing applicable revenue issuances.

The return shall be filed and the tax paid/remitted with the Authorized Agent Bank (AAB) of the Revenue District Office (RDO) 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/remitted with the Revenue Collection Officer (RCO) of the RDO having jurisdiction over the WA's place of business/office, who will issue an Electronic Revenue Official Receipting (ROR) therefor Revenue Official Receipt (eROR) therefor.

When 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/remittance 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 and payment/remittance of the tax by the taxpayer. The machine validation shall reflect the date of payment/remittance, amount paid/remitted and transactions 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 Payment/Remittance may also be made thru the epayment channels of AABs thru either their online facility,

credit/debit/prepaid cards, and mobile payments.

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. In the case of large taxpayers only one consolidated return is required.

Fringe Benefit Defined

Fringe Benefit means any good, service or other benefit furnished or granted by an employer in cash or in kind, in addition to basic salaries to employees (except rank and file employees) such as, but not limited to the following:

- Housing;

- Expense Account; Vehicle of any kind; Household personnel, such as maid, driver and others;
- 5. Interest on loan at less than market rate to the extent of the difference between the market rate and actual rate granted; Expenses for foreign travel;
- 7. Holiday and vacation expenses;
- 8. Membership fees, dues and others expense borne by the employer for the employees in social and athletic clubs or other similar
- 9. Educational assistance to the employee or his dependents: and
- 10. Life or health insurance and other non-life insurance premiums or similar amounts in excess of what the law allows.

ATC and Tax Rate
The fringe benefit tax shall be imposed at the following rates
Positions

The ning	e benefit tax shan be imposed at the following rates.	
ATC	Recipient	Tax Rate
WF360	In General, for Citizen, Resident Alien and Non-Resident Alien Engaged in	35%
	Trade or Business Within the Philippines	
WE220	Non Decident Alien Not Engaged in Trade on Duciness Within the Philo	250/

Computation of Tax

The final withholding tax on fringe benefit shall be computed based on the taxable grossed-up monetary value multiplied by the applicable tax rate. The grossed-up monetary value of the fringe benefit shall be determined by dividing the monetary value of the fringe benefit as provided in Revenue Regulations No. 3-98, as amended, by the percentage divisor in accordance with the following schedule:

Recipient	Tax Rate
In General, for Citizen, Resident Alien and Non-Resident Alien Engaged in Trade or Business Within the Philippines	65%
Non-Resident Alien Not Engaged in Trade or Business Within the Philippines	75%

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

- 1. A surcharge of twenty-five percent (25%) for the following violations:
 - Failure to file any return and pay/remit the amount of tax or installment due on or before the due date;
 - Filing a return with a person or office other than those with whom it is required to be filed, unless otherwise authorized by the Commissioner;
 - c. Failure to pay/remit 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/remit the deficiency tax within the time prescribed for its payment/remittance in the notice
- 2. A surcharge of fifty percent (50%) of the tax or of the deficiency tax, in case any payment/remittance has been made 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
 - A false or fraudulent return is willfully made.
- 3. Interest at the rate of double the legal interest rate for loans or forbearance of any money in the absence of an express stipulation as set by the Bangko Sentral ng Pilipinas from the date prescribed for payment/remittance until the amount is fully paid/remitted: Provided, That in no case shall the deficiency and the delinquency interest prescribed under Section 249 Subsections (B) and (C) of the National Internal Revenue Code, as amended, be imposed simultaneously.
- 4. Compromise penalty as provided under applicable rules and regulations

Violation of Withholding Tax Provisions

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

Any person required under the NIRC, as amended, or by rules and regulations promulgated thereunder to pay/remit any tax, make a return, keep any record, or supply correct and accurate information, who willfully fails to pay/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 (P 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 NIRC, as amended, or regulations promulgated thereunder, is charged with the duty to deduct and withhold any internal revenue tax and to pay/remit the same in accordance with the provisions of the NIRC, as amended, and other laws and who is found 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)

- a. Those who fail or cause the failure to pay/remit taxes deducted and withheld within the time prescribed by

 b. Those who fail or cause the failure to pay/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 payment/remittance of tax shall be personally liable for the additions to the tax prescribed by the NIRC, as amended.

background information must be properly filled out. The last 5 digits of the 14-digit TIN refers to the branch code

- The last 2 digits of the 14-digit 118 felets to the brail code.
 All returns filed by an accredited tax agent on behalf of a taxpayer shall bear the following information:
 A. For Individual (CPAs, members of GPPs, and others)
 - a.1 Taxpayer Identification Number (TIN); and
 a.2 BIR Accreditation Number, Date of Issue, and Date of Expiry
 - B. For members of the Philippine Bar (Lawyers)

 - b.1 Taxpayer Identification Number (TIN); b.2 Attorney's Roll Number; b.3 Mandatory Continuing Legal Education (MCLE) Compliance Number; and b.4 BIR Accreditation Number, Date of Issue, and Date of Expiry