

**[ BIR REVENUE REGULATIONS NO. 4-2008,  
February 19, 2008 ]**

**AMENDING THE VENUE FOR THE PAYMENT OF CAPITAL GAINS TAX, CREDITABLE WITHHOLDING TAX AND DOCUMENTARY STAMP TAXES DUE ON ONEROUS TRANSFERS OF REAL PROPERTIES OWNED BY TAXPAYERS CLASSIFIED AS LARGE TAXPAYERS PURSUANT TO REVENUE REGULATIONS NO. 1-98, AS AMENDED, THEREBY AMENDING FOR THIS PURPOSE PERTINENT PROVISIONS OF REVENUE REGULATIONS NO. 8-98**

*SECTION 1. SCOPE.* — Pursuant to Section 244 of the 1997 National Internal Revenue Code, as amended, in relation to Sections 57(A), 57(B) and 196 thereof, these Regulations are hereby promulgated in order to amend pertinent provisions of Revenue Regulations No. 8-98 which amended Revenue Regulations No. 2-98 and other relevant regulations and issuances relative to the venue for the filing of returns (i.e., capital gains tax(CGT), creditable withholding tax(CWT), and documentary stamp tax(DST)) and payment of taxes due on onerous transfers of real properties owned by taxpayers classified as large taxpayers under Revenue Regulations No. 1 -98, as amended.

*SEC. 2. POLICY STATEMENT* — These Regulations "aim to provide an efficient service to large taxpayers with respect to their real estate transactions by transferring the venue for filing the tax returns and payment of the tax(CGT/CWT/DST), including securing of Tax Clearance Certificate (TCL)/ Certificate Authorizing Registration (CAR) to the concerned Large Taxpayers Services (LTS)' Office (i.e., LTDO, LTAID I, LTAID II) where the taxpayer's head office is registered rather than these returns and payment on one-time transactions be handled by the Revenue District Office.

By making the venue for payment of taxes of large taxpayers an exception to the General rule espoused in Revenue Regulations No. 8-98 prescribing the filing of returns and the payment of taxes due thereon to the Revenue District Office (RDO) where the property being transferred is located, the collection performance of the Revenue District Offices as well as the LTS Office can now be gauged more realistically inasmuch as the significant collections accruing to real estate transactions of these large taxpayers are now effectively consolidated and fully accounted for by the very same LTS Office having jurisdiction Over their principal place of business.

*SEC. 3. TIME AND PLACE OF PAYMENT OF CAPITAL GAINS TAX (CGT) DOCUMENTARY STAMP TAX (DST) ON THE SALE, EXCHANGE OR OTHER OF ONEROUS DISPOSITION OF REAL PROPERTIES CLASSIFIED AS CAPITAL ASSETS.* — Within thirty (30) days following each sale or disposition, the Capital Gains Tax (CGT) (BI R Form No. 1706) Return shall be filed by the seller or buyer and payment made to an Authorized Agent Bank (AAB) located within the Revenue District Office

(RDO) having jurisdiction over the place where the property being transferred is located.

The corresponding documentary stamp tax return shall be filed within five (5) days after the close of the month when the taxable document was made, signed, accepted or transferred, and the tax thereon shall be paid at the same time the aforesaid return is filed with the Authorized Agent Bank (AAB) of the RDO having jurisdiction over the place where the property being transferred is located.

Provided, however, that in cases where the seller thereof is a large taxpayer, the venue for the filing of the CGT return and payment of CGT as well as the DST Return and DST due thereon shall be with the AAB of the concerned LTS Office where said large taxpayer-seller is registered.

This above rule on the venue in the filing of the returns and payment of taxes on real estate onerously disposed shall likewise apply in cases of taxable foreclosure sales.

*SEC. 4. TIME AND PLACE OF PAYMENT OF CREDITABLE WITHHOLDING TAX AND DST ON THE SALE, EXCHANGE OR OTHER MODE OF ONEROUS DISPOSITION OF REAL PROPERTIES CLASSIFIED AS ORDINARY ASSETS.* — Creditable withholding taxes deducted and withheld by the withholding agent/buyer on the sale, transfer or exchange of real property classified as ordinary asset, shall be paid by the withholding agent/buyer upon filing of the return with the Authorized Agent Bank (AAB) located within the Revenue District Office (RDO) having jurisdiction over the place where the property being transferred is located within ten (10) days following the end of the month in which the transaction occurred subject, however, to the rules prescribed by Electronic Filing and Payment System (EFPS) regulations in case the taxpayer is an EFPS taxpayer.

The corresponding documentary stamp tax return shall be filed within five (5) days after the close of the month when the taxable document was made, signed, accepted or transferred, and the tax thereon shall be paid at the same time the aforesaid return is filed with the Authorized Agent Bank (AAB) of the RDO having jurisdiction over the place where the property being transferred is located.

Provided, however, that in cases where the seller thereof is a large taxpayer, the venue for the filing of the creditable withholding tax return (BIR Form 1606) and payment of taxes due thereon as well as the DST Return (Form No. 2000-OT) and DST due thereon shall be with the AAB of the concerned LTS Office where said large taxpayer-seller is registered.

In the case of real estate development projects under a joint venture agreement where one of the co-venturers is a large taxpayer and the other is a non-large taxpayer, the venue for the payment of taxes accruing to the sale or onerous disposition to third parties of their owned respective portion of the real estate shall be in accordance with the provisions herein prescribed. Thus, the taxes due on the sale or disposition of the shares/units located to the co-venturer which is a large taxpayer, shall be paid and the corresponding returns thereof shall be filed with the AAB of the concerned LTS Office where said large taxpayer is registered. On the other hand, the returns required and the taxes accruing on sale or disposition of the units allocated to the other co-venturer that is a non-large taxpayer shall be filed and