

**[BIR REVENUE MEMORANDUM ORDER NO. 23-93,
February 12, 1993]**

**MODIFIED PROCEDURES ON THE REGISTRATION OF
WITHHOLDING AGENTS**

I

Objectives:

This Order is issued to:

1. Establish modified procedures on the processing of application for registration as Withholding Agent in line with requirements set forth under the New Payment Control System (NPCS).
2. Prescribe the following forms:
 - a. Application for Registration as Withholding Agent (BIR Form No. W-5) Revised July, 1992, to be used by taxpayers registering as Withholding Agents (WA's).
 - b. Registration Certificate for Withholding Agents - Head Office (BIR Form No. W-5H) and Registration Certificate for Withholding Agents-Branch Office (BIR Form No. W-5B) which will be issued to taxpayers with approved application for registration as withholding agent.

II

Policies:

The following guidelines and policies are to be observed and strictly followed by all concerned:

1. Upon approval of application for registration, the taxpayer shall no longer be issued withholding agent's identification number. The Taxpayer Identification Number (TIN) shall replace the withholding agent's identification number.
2. Only one (1) TIN shall be used by both the head office and branches of company/business registered as Withholding Agent.
3. Both the head office and the branches, upon approval of the application for registration as withholding agent shall be issued their corresponding registration certificates (BIR Form No. W-5H for head office and BIR Form No. W-5B for branch).
4. The Collection Officer of the RDO having jurisdiction over the taxpayer's place of business may accept BIR Form No. W-5 and shall forward the same to its

Withholding Tax Unit for processing and approval.

III Procedures on the Registration of Withholding Agents:

Hereunder is the modified overall procedure on the registration of withholding agents:

A. Revenue District Office

1. Receive in three (3) copies duly accomplished Application for Registration as Withholding Agent, BIR Form W-5 (Annex A)* from applicant/withholding agent or from the Office of the Collection Officer;

Original - CISS

Duplicate - RDO

Triplicate - Taxpayer

2. Check the address indicated in W-5 to determine whether the taxpayer is filing in the right venue; otherwise instruct him to submit application to the Withholding Tax Unit of the RDO where his principal place of business is located.

3. Check BIR Form W-5 to make sure that all required information are indicated such as:

- a. Name of WA
- b. Business/Trade Name
- c. TIN
- d. Principal Place of Business
- e. Residential Address
- f. Name and Address of Head Office (if applicant is Branch)
- g. Name and Address of Branch (if applicant is Head Office)
- h. Kind of Taxpayer
- i. Kind of Taxes Withheld or Expected to be Withheld

4. Require the applicant to present his TIN card; if taxpayer has no TIN yet:

- a. Require him/her to fill-up an application form for TIN and forward immediately to Computer and Information Systems Service (CISS) following the procedures provided for under Revenue Memorandum Order (RMO) No. 23-91;
- b. Receive from CISS printed TIN ID Cards and/or pre-printed labels not later than fifteen (15) working days from date of transmittal of Application for TIN;
- c. Release TIN ID Card and/or pre-printed labels to applicant/withholding agent.

5. Stamp "RECEIVED" and date of receipt on the appropriate space provided on every copy of BIR Form W-5;

6. Record in pre-numbered logbook exclusively for Withholding Agent Registration, the application received by indicating the name of applicant and date of receipt;

7. Assign the RDO Control Number on the appropriate space of W-5, following the numbering in the logbook;
8. Evaluate W-5 in accordance with the following criteria of a withholding agent:
 - a. An employer making payment of compensation;
 - b. An individual with respect to payments made in connection with trade or business pursuant to existing Revenue Regulations;
 - c. Any juridical person whether or not engaged in trade or business;
 - d. All government offices including government-owned or controlled corporations as well as provincial, city or municipal government.
9. Determine whether the application was approved or disapproved;
 - 9.1 For Disapproved Application:
 - a. Cancel the word "APPROVED" if the W-5 was disapproved based on the above criteria; sign on the space provided;
 - b. Issue the triplicate copy of the W-5 to the taxpayers; file the remaining copies of the W-5;
 - c. Make the necessary notations in the logbook for disapproved application;
 - 9.2 For Approved Application:
 - a. Determine whether the applicant/withholding agent filed on time; otherwise:
 - a.1 Issue and sign Authority to Accept Payment (ATAP) to the applicant/withholding agent for presentation upon payment of penalties for late filing to the Accredited Bank, in accordance with RMO 28-91;
 - a.2 Request from applicant/WA the machine validated ATAP and indicate the amount paid, date of payment and transaction code in the application form (W-5); return machine validated ATAP to taxpayer;
 - b. Cancel the word "DISAPPROVED" to approve the application for registration (W-5) and indicate therein the TIN and effective date of registration; sign on the space provided;
 - c. Prepare for signature of the RDO Registration Certificate for Withholding Agents:

If Head Office: two (2) copies of BIR Form No. W-5H (Annex B)*

Original - WA
Duplicate - RDO