

**[ BIR REVENUE MEMORANDUM ORDER NO. 30-99,  
March 17, 1999 ]**

**PRESCRIBING THE FILING OF RETURNS BY THOSE INDIVIDUALS  
EXEMPT FROM TAX AS PROVIDED UNDER SECTION 23 (B) AND  
(C) IN RELATION TO SECTION 51 (A) (2) (D) AND (A) (3) OF  
REPUBLIC ACT NO. 8424 (NIRC OF 1997)**

*I. Coverage and Purpose:*

Pursuant to Section 23 (B) and (C) in relation to Section 51 (A) (2) (d) and (A) (3) of Republic Act 8424 (NIRC of 1997), this Revenue Memorandum Order is hereby promulgated for the benefit and guidance of our various non-resident citizens, overseas contract workers (OCWs), and foreign post abroad. This will govern all income earned by non-resident citizen from abroad beginning January 1, 1998.

*II. Pertinent Provisions:*

Section 22 (E) "The term 'non resident citizen' means:

- (1) A citizen of the Philippines who establishes to the satisfaction of the Commissioner the fact of his physical presence abroad with a definite intention to reside therein.
- (2) A citizen of the Philippines who leaves the Philippines during the taxable year to reside abroad, either as an immigrant or for employment on a permanent basis.
- (3) A citizen of the Philippines who works and derives income from abroad and whose employment thereat requires him to be physically present abroad most of the time during the taxable year.
- (4) A citizen who has been previously considered as non-resident citizen and who arrives in the Philippines at any time during the taxable year to reside permanently in the Philippines shall likewise be treated as a non-resident citizen for the taxable year in which he arrives in the Philippines with respect to his income derived from sources abroad until the date of his arrival in the Philippines.

The taxpayer shall submit proof to the Commissioner to show his intention of leaving the Philippines to reside permanently abroad or to return to and reside in the Philippines as the case may be for the purpose of this Section."

Section 23 (B) "A non-resident citizen is taxable only on income derived from sources within the Philippines."