



***Outsourcing* brief**

Q3 2020



BIR UPDATES

RMC-69-2020	Prescribes the revised procedures on the cancellation of Permit to Use (PTU) Cash Register Machines (CRM), Point-of-Sale (POS) Machines, and other similar sales machines generating receipts/ invoices in compliance with Republic Act (RA) No. 11032
RMC 97-2020	Standard Policy for the Use of BIR Form No. 0605 for Excise Tax Purposes
RMC 96-2020	Reiterates the provisions of RMC No. 47-2020, as amended by RMC No. 59-2020, relative to the temporary measures adopted by taxpayers on the receipting/invoicing requirements pursuant to RA No. 11469 (Bayanihan to Heal as One Act)
RMC 82-2020	Prescribing Guidelines on the Use of eAFS System for the Submission of Attachments to the Income Tax Returns of Taxpayers with Fiscal-Year Accounting Period and in the submission of Attachments to the Quarterly Income Tax Returns
RMC 73-2020	Publishing the Full Text of Civil Service Commission (CSC) Memorandum Circular (MC) No. L4, s.2020 re: Interim Guidelines on Appointments and Other Human Resource Actions for the Period of State of Calamity Due to COVID-19 Pandemic

DOLE UPDATES

Labor Advisory No. 17 B-20	Guidelines on Employment Preservation upon the Resumption of Business Operations
----------------------------	--

PHILHEALTH UPDATES

PHIC 2020- 0018	Guidelines on the COVID-19 Community Isolation Benefit Package (CCIBP)
-----------------	--

SEC UPDATES

SEC MC 24 S 2020	Guidelines on posting of: 1. Additional Securities Deposit 2. Substitution of Securities Deposit and 3. Change of Resident Agent
------------------	--

HDMF UPDATES

Circular 432	Guidelines on the Grant of Moratorium on Short-Term Loan (STL) Amortization and Housing Amortization/ Installment Payments to PAG-IBIG Fund
Circular 433	Guidelines on the Grant of Mandatory 30-Day Grace Period on all loans affected by Enhanced Community Quarantine (ECQ)





- > BIR Updates
- > DOLE Updates
- > PhilHealth Updates
- > SEC Updates
- > HDMF Updates

BIR Updates

Prescribes the revised procedures on the cancellation of Permit to Use (PTU) Cash Register Machines (CRM), Point-of-Sale (POS) Machines, and other similar sales machines generating receipts/ invoices in compliance with Republic Act (RA) No. 11032

The circular issued on July 13,2020 to update existing procedures in accordance with the requirement of RA No. 11032

The objectives of this circular are to:

1. Provide the standard documents to be submitted by the taxpayers to request for cancellation of PTU CRM / POS Machines
2. 2Prescribe the procedures in conducting the cancellation process in case of withdrawal in upgrading/ modification of existing CRM/POS Machines
3. Clarify portions of the provisions of Revenue Memorandum Circular (RMC) No. 72-2018 in relation to the provisions of the Operations Memorandum OPM-CSS-TSPMD

Guidelines and Procedures:

1. Cancellation of the PTU CRM/ POS machine shall be processed by the office having jurisdiction over the taxpayer's place of business where the machine was registered

2. The taxpayer shall notify the concerned RDO/LT in writing, in requesting for cancellation of the PTU within five (5) days from the date the machine was last used stating the reason (s) for the cancellation and other pertinent information
3. The taxpayer shall submit documents as an attachment to the Letter or to the assigned revenue officer during the machine inspection
4. Actual inspection of the CRM/POS shall be required in case of withdrawal from use or transfer to another branch of the company. In case of modification/ upgrading of the software being used, actual inspection of the machine may be dispensed with to not disrupt the normal business operations of the taxpayer
5. In case of withdrawal from use or transfer of the CRM/POS to another branch of the taxpayer, the Revenue Officer needs to conduct an inspection of the machine
6. Non-payment of the penalties should not be grounds for the non-issuance of the Cancellation Certificate
7. The Revenue Officer should submit a Memorandum Report on the result of the inspection upon completion
8. Once approved, the authorized staff should cancel the PTU and the MIN of the machine and generate the cancellation certificate
9. The Cancellation Certificate must be issued within seven (7) days from receipt of the letter request; and three (3) working days from the receipt of the complete requirements
10. The concerned LT Office/ RDO shall approve the application three (3) days from the receipt of the application
11. To authorize the simultaneous registration of the new software, the taxpayer shall secure approval in writing from the LT Office to allow the registration of the new software

For more information on this circular:

https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/2020%20RMCs/RMC%20No.%2069-2020.pdf

BIR Updates



- > BIR Updates
- > DOLE Updates
- > PhilHealth Updates
- > SEC Updates
- > HDMF Updates

Standard Policy for the Use of BIR Form No. 0605 for Excise Tax Purposes

The circular was issued to set guidelines in using the BIR Form No. 0605 for purposes of Excise Tax.

As part of the improvements in monitoring, tracking and reconciliation of records, the BIR Form 0605 is only allowed for the following:

1. Payment on export products pursuant to Product Replenishment Scheme under Revenue Regulations (RR) No. 3-2008
2. Payment for Excise Tax on Non-Essential Services for Excisable Cosmetic Procedures until such time that BIR Form No. 2200-C will be available for use; and
3. Payments for deficiency excise tax

For more information on this circular, you may access:

https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/2020%20RMCs/RMC%20No.%2097-2020.pdf

Reiterates the provisions of RMC No. 47-2020, as amended by RMC No. 59-2020, relative to the temporary measures adopted by taxpayers on the receipting/invoicing requirements pursuant to RA No. 11469 (Bayanihan to Heal as One Act)

This circular is released to restate the provisions of RMC No 47-2020 as amended by RMC No.59-2020 on the measures to be adopted by taxpayers in compliance with invoicing/receipting requirement in lieu of the declaration of the Modified Enhanced Community Quarantine (MECQ) in the NCR, Bulacan, Cavite, Rizal and Laguna from August 4 to 18, 2020. All taxpayers located in the mentioned areas can adopt workaround procedures to address the issues experienced by entities in issuing receipts and invoices to continue business operations. Taxpayers who adopted these measures are required to comply with RMC 47-2020 and are required to submit the Summary of Temporary Receipts/ Invoices Issued to their Revenue District Offices, ninety (90) days from the lifting of MECQ.

Prescribing Guidelines on the Use of eAFS System for the Submission of Attachments to the Income Tax Returns of Taxpayers with Fiscal-Year Accounting Period and in the submission of Attachments to the Quarterly Income Tax Returns

This circular is issued to advise concerned taxpayers that the eAFS system is also available for submitting attachments to the ITRs of taxpayers with fiscal year accounting period and attachments to the quarterly income tax returns. Concerned taxpayers that avails of the eAFS System either registered or unregistered under the Large Taxpayers Service should scan all required documents and comply with the procedures as advised.

- A. In submitting attachments to ITRs of the taxpayers adopting the fiscal-year accounting period, scanned documents shall be grouped into three (3) categories both for manually and electronically filed documents adopting the prescribed naming conventions

File 1 – Income Tax Return -
EAFSXXXXXXXXXTRTYMIUYYYY

File 2 – Audited Financial Statements -
EAFSXXXXXXXXXAFSTYMMYYYY

File 3- Other Attachments -
EAFSXXXXXXXXXOTHTYMMYYYY-01

BIR Updates



- > BIR Updates
- > DOLE Updates
- > PhilHealth Updates
- > SEC Updates
- > HDMF Updates

Where:

- XXXXXXXXXX is the 9-digit TIN
- TY is the placeholder for Taxable Year to identify it as annual submission; regardless if Fiscal or Calendar Year submission
- MM is the Month end of the Taxable Year
- YYYY is the Year Ended
- 01 is the first file of other attachments, up to 99 (applicable for File 3 - Other Attachments)

- B. In submitting attachments to the quarterly ITRs all required documents should be scanned and classified with the prescribed naming conventions as:

File 1 - EAF S XXXXXXXXXXI TR# QM-MYYYY

where:

XXXXXXXX - 9-digit TIN
- Taxable quarter covered by the attachments
MM - Calendar month ending of the taxable quarter
YYYY- Taxable year covered by the attachments

File 3 - EAF SXXXXXXXXXOTH#QM-MYYYY-01

where:

XXXXXXXX - 9-digit TIN
- Taxable quarter covered by the attachments
MM - Calendar month ending of the taxable quarter
YYYY- Taxable year covered by the attachments
01- 1st file of other attachments
File size should not exceed 4.8 GB

In case of additional file:

File 4 - EA F SXXXXXXXXX OTH#QMMYY
YY - 0 2

where:

XXXXXXXX - 9-digitTIN
- Taxable quarter covered by the attachments
MM - Calendar month ending of the taxable quarter
YYYY- Taxable Year covered by the attachments
02- 2nd file of other attachments

All original copies of the digitally submitted documents should be kept by the taxpayers.

For more information on this circular, you may access https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/RMC%20No.%2082-2020.pdf

Publishing the Full Text of Civil Service Commission (CSC) Memorandum Circular (MC) No. L4, s.2020 re: Interim Guidelines on Appointments and Other Human Resource Actions for the Period of State of Calamity Due to COVID-19 Pandemic

This circular is issued to publish and broadcast the CSC Memorandum Circular on the Interim Guidelines on Appointments and Other Human Resource Actions during the Period of State of Calamity due to COVID-19 The interim guidelines laydown the parameters on the following procedure in processing of appointments

1. Publication and Posting of Vacant Positions
2. Recruitment and Selection Process
3. Issuance of Appointment
4. Submission of Appointment
5. Action on Appointments
6. Assumption to Duty
7. Probationary Period
8. Reassignment, Detail, Transfer, Designation
9. Filling-up of Vacant Positions Resulting from Promotion

For more information on each parameters and detailed explanation on each guideline, you may access

https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/2020%20RMCs/RMC%20No.%2073-2020.pdf

DOLE Updates



- > BIR Updates
- > DOLE Updates
- > PhilHealth Updates
- > SEC Updates
- > HDMF Updates

Guidelines on Employment Preservation upon the Resumption of Business Operations

- These guidelines were issued to support employers to continue their business operations while also protecting the employment of their workers.
 - The advisory applies to all employees and their employers regardless of the status of employment in the private sector that is operating under the enhanced community quarantine, general community quarantine and other similar measures.
 - All employers must observe the minimum health standards as dictated by the Department of Trade and Industry and the Department of Labor and Employment. This advisory also states that whenever practicable, establishments are encouraged to adopt the work-from-home or other telecommunicating arrangements. Employees under the work-from-home arrangement must be provided suitable support to perform their assigned tasks.
 - The transfer, assignment, rotation, workday reduction and other work arrangements should be governed by the existing laws, rules and regulations.
 - For employees separated from their employment due to authorized cause is entitled to the final pay.
- All employers should report their adopted alternative working arrangements to the DOLE Regional Office with jurisdiction over their place of business.
 - Disputes that may arise from the implementation of this Advisory shall be resolved as applicable.

For more information on this advisory, you may access https://www.dole.gov.ph/php_assets/uploads/2020/09/Labor-Advisory-No.-17-B-20-Guidelines-on-Employment-Preservation-upon-the-resumption-of-Business-Operations.pdf

PHILHEALTH Updates



- > BIR Updates
- > DOLE Updates
- > PhilHealth Updates
- > SEC Updates
- > HDMF Updates

Guidelines on the COVID-19 Community Isolation Benefit Package (CCIBP)

The circular provides coverage for Filipinos on the health services in Community Isolation Units (CIUs) for COVID-19. This shall apply to all claims for services provided in the CIUs in relation to the COVID-19 Pandemic.

Specific Guidelines:

- A. Accreditation of CIUs as providers of the COVID-19 Community Isolation Benefit (CCIBP)
 - a. CIUs shall be:
 - i. Free standing facilities, including non-hospital facilities such as Ligtas Covid and Mega Ligtas Covid Centers and Level 1 Hospitals
 - ii. Facilities set-up and managed by L2 or L3 Hospital in coordination with the LGU or the National Government
 - b. CIUs must be DOH-certified and Philhealth-accredited
 - c. CIUs seeking accreditation shall have referral arrangements with a higher-level facility
 - B. Benefit Package
 - a. CCIBP includes all identified services essential to manage cases that may need isolation, based on DOH guidelines be it suspect, probable or confirmed
 - b. Standards set for these services should be in accordance with DOH guidelines
 - c. The package covers all inputs and activities during the period of care at the CIUs including all fees and operational costs
 - C. Availment of the Benefit Package
 - a. Availment Criteria
 - i. Philhealth registered Filipino
 - ii. Must meet the clinical/social criteria stated in applicable DOH issuances
 - b. Package rates and rules on Co-Pay
 - c. Claims Filing and Reimbursement
 - i. When applicable, the CIUs, through its partner facility can file a claim through e-Claim system for patients discharged after all mandatory services. Claims for testing should be filed separately.
- ii. Claim applications should include
 - 1. Claim Form 2
 - 2. Accomplished Claim Signature Form
 - iii. Direct filing of claims is prohibited
 - iv. All claims shall be processed within sixty (60) calendar days upon receipt, provided that all requirements are complied with
 - v. Claims should be filed sixty (60) calendar days upon discharge of the patient
 - vi. Claims with incomplete documents/ requirements will be returned
 - vii. A motion for reconsideration may be filed by the CIUs for declined claims
 - viii. CIUs must follow guidelines on patient transfers in case the patient becomes clinically weakened
 - ix. Claims filed for patients readmitted to the CIUs must be filed as new claim



- > BIR Updates
- > DOLE Updates
- > PhilHealth
Updates
- > SEC Updates
- > HDMF Updates

PHILHEALTH Updates

- x. In case a patient expires, the CIUs may still file for a claim
- xi. Converted nonhospital CIUs is not allowed to file for other case rates apart from CCIBP
- xii. Claims shall be paid to the CIUs or a partner facility, as applicable
- xiii. Payments for services rendered shall be settled between CIUs and its partner facilities
- xiv. PhilHealth should not prescribe a provider-facility share nor recommend changing the rules for claims processing

For more information on this circular
<https://www.philhealth.gov.ph/circulars/2020/circ2020-0018.pdf>

SEC Updates



- > BIR Updates
- > DOLE Updates
- > PhilHealth Updates
- > SEC Updates
- > HDMF Updates

Guidelines on posting of:

1. Additional Securities Deposit
2. Substitution of Securities Deposit
- and 3. Change of Resident Agent

The Securities and Exchange Commission issued an extension on the deadline of submission and filing of securities deposit during the COVID-19 Pandemic, where the country was placed under the Enhanced Community Quarantine (ECQ)

For foreign corporations, submission of the audited financial statements (AFS) was extended for a period of 60 calendar days from the initial filing deadlines for companies with FY ending January 31 to March 31 and 45 calendar days for those with FY ending April 30.

Also, depending on the last numerical digit of the SEC Registration/ License Number, filing has been extended from June 29, 2020 to August 7, 2020.

The last due AFS will be the basis for monitoring of branch offices in the posting of additional securities deposit and any change in resident agents for foreign corporations should require posting of securities deposit.

For more information on this circular, you may access the full text at <https://www.sec.gov.ph/mc-2020/mc-no-24-s-2020/>



- > BIR Updates
- > DOLE Updates
- > PhilHealth Updates
- > SEC Updates
- > HDMF Updates

HDMF Updates

Guidelines on the Grant of Moratorium on Short-Term Loan (STL) Amortization and Housing Amortization/ Installment Payments to PAG-IBIG Fund

These guidelines were issued in pursuant to the Pro Proclamation Nos. 929 and 922, and Republic Act No. 11469, otherwise known as the “Bayanihan to Heal as one Act”

This program aims to ease the burden of Pag-Ibig Fund Borrowers/ Buyers affected by the management of COVID-19. It also aims to address the financial and economic concerns of the borrowers by allocating their resources to more important needs such as food and medicines. This could also provide their employers a reasonable period to remit the required amortization and give authority to the Senior Management Committee to implement the moratorium program on payments as necessary. This covers eligible STL borrowers and Housing borrowers/buyers who were greatly affected by the management of COVID-19 and its aftereffects. A borrower with multiple loans is also qualified for a moratorium for every loan subject to terms and conditions.

Applications for the moratorium on amortization may be filed via the Virtual Pag-Ibig from March 16 to June 15, 2020.

For more information on the Eligibility and the Terms and Conditions you may access

<https://www.pagibigfund.gov.ph/document/pdf/circulars/housing/Circular%20NO.%20432%20-%20Guidelines%20on%20the%20Grant%20of%20Moratorium%20on%20STL%20Amortization%20and%20HL%20Payments%20to%20Pag-IBIG%20Borrowers%20Buyers%20affected%20by%20COVID-19.pdf>

Guidelines on the Grant of Mandatory 30-Day Grace Period on all loans affected by Enhanced Community Quarantine (ECQ)

These guidelines were issued in pursuant to Republic Act No. 11469, otherwise known as the “Bayanihan to Heal as one Act”

These guidelines are issued to prescribe the general rules and procedures for the implementation of Section 4(aa) of Republic Act No. 11469 and its Implementing Rules and Regulations.

This shall apply to all loans with principal and/or interest that would fall due within the ECQ period from March 17 to April 12, 2020.

Loans shall mean those extended by Pag-Ibig Fund to individuals / entities. For a borrower with multiple loans shall be given a grace period for each loan subject to terms and conditions.

For more information on the terms and conditions you may access

<https://www.pagibigfund.gov.ph/document/pdf/circulars/housing/Guidelines%20on%20the%20Grant%20of%20Mandatory%2030Day%20Grace%20Period%20on%20all%20Loans%20Affected%20by%20ECQ.pdf>

About P&A Grant Thornton Outsourcing, Inc.

P&A Grant Thornton Outsourcing, Inc. provides, first rate support for your key accounting and administrative activities, such as outsourced accounting, payroll, and accounting-related tasks.

We see ourselves as your partner: we work steadily and efficiently in the background, enabling you to take center stage and focus on meeting your corporate objectives, goals and targets and drive your business to greater heights.

If you would like to know more about our services

Paz V. Malubay

President

P&A Grant Thornton Outsourcing, Inc.

T +63 2 8864 0741 ext. 810

D +63(2) 8864 0458/8988 2297

E Paz.Malubay@ph.gt.com



Outsourcing brief is a quarterly publication of P&A Grant Thornton Outsourcing, Inc. that aims to keep the company's clientele, as well as the general public, informed of various developments in outsourcing, compensation, and other related matters. This publication is not intended to be a substitute for competent professional advice. While careful effort has been exercised to ensure the accuracy of the contents of this publication, it should not be used as the basis for formulating business decisions. Government pronouncements, laws and official interpretations are all subject to change.

We welcome your suggestions and feedback so that the Outsourcing brief may be even more useful to you. Please get in touch with us if you have any comments and if it would help you to have the full text of the materials in the Outsourcing Brief.



grantthornton.com.ph

© 2020 P&A Grant Thornton Outsourcing, Inc. - All rights reserved. P&A Grant Thornton Outsourcing, Inc is an entity wholly owned by Punongbayan & Araullo (P&A), the Philippine member firm of Grant Thornton International Ltd (GTIL). "Grant Thornton" refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.