

Guidelines and Instructions for BIR Form No. 2550Q [January 2023 (ENCS)]

Quarterly Value-Added Tax Return

Who Shall File

This return shall be filed in triplicate by the following taxpayers:

1. A VAT-registered person; and
2. A person required to register as a VAT taxpayer but failed to register.

This return must be filed by the aforementioned taxpayers for as long as the VAT registration has not yet been cancelled, even if there is no taxable transaction during the quarter or the aggregate sales/receipts for any 12-month period exceed the P3,000,000.00 threshold.

A person who imports goods shall use the form prescribed by the Bureau of Custom.

When and Where to File

The return must be filed not later than the 25th day following the close of the quarter.

The return must be filed with any Authorized Agent Bank (AAB) within the jurisdiction of the Revenue District Office where the taxpayer is required to register. In places where there are no AAB, the returns shall be filed with the Revenue Collection Officer or duly Authorized City or Municipal Treasurer located within the revenue district where the taxpayer is required to register.

Any taxpayer whose registration has been cancelled shall file a return and pay the tax due thereon within 25 days from date of cancellation of registration. For taxpayers with branches, only one consolidated return shall be filed for the principal place of business or head office and all the branches.

When and Where to Pay

The return shall be filed and the tax paid with the AAB of the Revenue District Office (RDO) having jurisdiction over the taxpayer's place of business/office. In places where there are no AABs, the return shall be filed and the tax paid with the Revenue Collection Officer (RCO) of the RDO having jurisdiction over the taxpayer's place of business/office, who will issue an Electronic 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 paying/remitting under the bank debit system.

For Electronic Filing and Payment System (EFPS) Taxpayer

The deadline for electronically filing and paying the taxes due thereon shall be in accordance with the provisions of existing applicable revenue issuances.

Rates and Bases of Tax

- A. On Sale of Goods and Properties – twelve percent (12%) of the gross selling price or gross value in money of the goods or properties sold, bartered or exchanged.
- B. On Sale of Services and Use or Lease of Properties – twelve percent (12%) of gross receipts derived from the sale or exchange of services, including the use or lease of properties.
- C. On Importation of Goods – twelve percent (12%) based on the total value used by the Bureau of Customs in determining tariff and customs duties, plus customs duties, excise taxes, if any, and other charges, such tax to be paid by the importer prior to the release of such goods from customs custody: Provided; That, where the customs duties are determined on the basis of quantity or volume of the goods, the value added tax shall be based on the landed cost plus excise taxes, if any.
- D. On Export Sales and Other Zero-rated Sales - 0%.

Definition of Terms

Input Tax means the value-added tax due from or paid by a VAT-registered person in the course of his trade or business on importation of goods, or local purchase of goods or services, including lease or use of property, from a VAT-registered person. It shall also include the transitional input tax determined in accordance with Section 111 of the National Internal Revenue Code, as amended, presumptive input tax and deferred input tax from previous period.

Output Tax means the value-added tax due on the sale or lease of taxable goods or properties or services by any person registered or required to register under Section 236 of the National Internal Revenue Code, as amended.

Penalties

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

1. A surcharge of twenty-five percent (25%) for the following violations:
 - a. Failure to file any return and pay/remmit the amount of tax or installment due on or before the due date;
 - b. 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/remmit 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/remmit the deficiency tax within the time prescribed for its payment/remittance in the notice of assessment.
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
 - b. 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.

Attachments

1. Duly issued Certificate of Creditable VAT Withheld at Source, if applicable;
2. Summary Alphabetical List of Withholding Agents of Income Payments Subjected to Withholding Tax at Source (SAWT), if applicable;
3. Duly approved Tax Debit Memo, if applicable;
4. Duly approved Tax Credit Certificate, if applicable.
5. Proof of the payment and the return previously filed, for amended return.
6. Authorization letter, if return is filed by authorized representative.

Note: All background information must be properly filled out.

- The last 5 digits of the 14-digit TIN refers to the branch 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