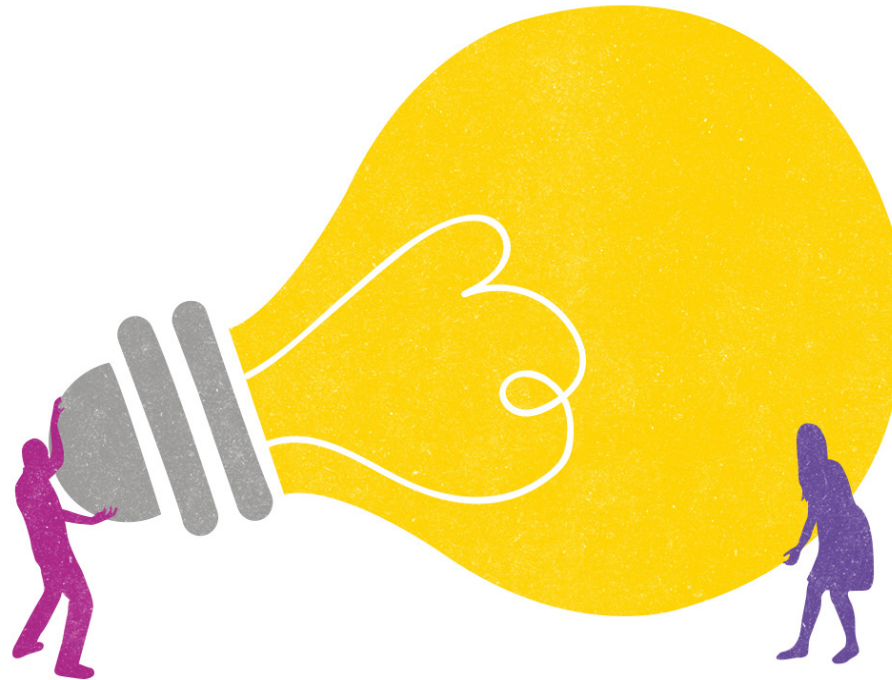


- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

Outsourcing brief

Q2 2016



BIR update



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

REVENUE MEMORANDUM CIRCULAR NO.41-2016: Further amending Revenue Memorandum Circular (RMC) No. 57-2011, as amended by RMC Nos. 21-2013, 9-2014, 13-2015, entitled "Revised Forms No. 1700, 1701, and 1702"

The circular further amends the first and second paragraph of RMC No. 57-2011, as amended by RMC Nos. 21-2013, 9-2014, 13-2015. The paragraph now reads as follows:

"This circular further amends BIR Forms No. 1700, 1701, and 1702, previously amended under Revenue Memorandum Circular No. 40-2011, The amendment consists mainly in making the disclosure of Supplemental information under BIR Form Nos. 1700 and 1701 optional on the part of the taxpayer for income tax filing covering and starting with calendar year 2015 due for filing on or before April 15, 2016, xxx.

Individual income tax filers using forms No. 1700 and 1701 are however advised that for income tax filing covering and starting with calendar year 2016, the disclosures required under the Supplemental Information portion of the said forms will be mandatory. Thus, the taxpayers are advised to demand from

their payors, and properly document their BIR Form No. 2307 and other pieces of evidence for final taxes withheld. However, said taxpayers, especially those engage in business, should properly receipt and book all their income whether they are subject to final withholding tax or whether the income is tax-exempt."

For the full version of the revenue memorandum circular, please visit the BIR website: <http://www.bir.gov.ph>



DOLE update



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

DEPARTMENT ORDER NO. 114-A, Series of 2016: AMENDING D.O. NO. 114-11, Amended Rules and Regulations Implementing Republic Act No. 6892

The Secretary of Labor and Employment, upon the recommendation of the Sugar Tripartite Council, has provided for an increase in the amount of Maternity and Death benefits under the social amelioration program from P2,000.00 to P5,000.00 and from P7,000.00 to P10,000.00, respectively.

The increase has been recommended considering that the cost of hospitalization and funeral services have increased over the years and the monetary value of the said benefits, which have remained unchanged over the last 15 years, have been eroded by inflation.

The Order shall take effect on 01 May 2016.



SSS updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

CIRCULAR NO. 2016-002: Payment of SS and EC lumpsum benefits thru the bank program

The Circular aims to improve the efficiency and safety in the payment of benefits, SS and EC Lump-sum Benefits. In lieu of the current payment through checks, these may be paid through the Bank Program, under the following guidelines:

I. The payment of the following benefits thru-the-Bank Program shall be optional effective 02 May 2016:

A. Lump-sum SS and EC Disability

B. Lump-sum SS Death

C. Lump-sum Retirement

Mandatory payment of SS and EC Lump-sum Benefits for Disability SS Death and Retirement thru-the-Bank Program shall be announced through another Circular.

II. A member/claimant shall submit to SSS the properly accomplished Disability/Death/Retirement Claim Application form together with the applicable documentary

requirements and a photocopy/scanned copy of any of the following bank documents as part of the benefit application:

A. Single savings account passbook

B. ATM Card with name of member/claimant and account number

If the account number is not reflected in the ATM card or if the name of member/claimant is not embossed in the ATM card or is not yet available, a copy of validated initial deposit slip shall be required.

C. Validated deposit slip in the name of member/claimant

D. Accomplished visa cash card enrollment form

E. Bank statement/Certificate

For members/claimants without existing single savings account, the SSS shall issue a Letter of Introduction (LOI) form to be presented by the member/claimant to his/her chosen SSS-accredited bank for purposes of opening of single savings account.

III. Members/claimants shall be notified by SSS through text blast/e-mail/payment notice of their benefit payments.

IV. In case of any changes in the member's bank information, the member shall notify the SSS through the Member Data Change Request form which should be submitted to SSS together with the applicable documents stated in Item II of the Circular.



SSS updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

CIRCULAR NO. 2016-003: Guidelines on the Loan Restructuring Program For Member-Borrowers Affected By Previous Calamities/Disasters

This circular provides guidelines on the restructuring program of past due calamity loans and other short-term loans of members residing or working in calamity/ disaster stricken areas declared by the National Disaster Risk Reduction and Management Council (NDRRMC) or by the National Government. This is in accordance with the approval by the President of the Philippines on 21 December 2015, as recommended by the Social Security Commission (SSC) under Resolution No. 424-s.2015 dated 29 May 2015 and its Implementing Guidelines under Resolution Nos. 795-s.2015 dated 04 November 2015, 217-s.2016 dated 04 April 2016, and 258-s.2016 dated 18 April 2016

I. COVERAGE OF THE PROGRAM

- A. All member-borrowers who have past due Calamity Loans or Salary Loan Early Renewal Program (SLERP);
- B. Member-borrowers with past due short-term loans living or working in calamity/

disaster stricken areas as declared by the National Disaster Risk Reduction and Management Council (NDRRMC) or in the case of Ondoy, by the National Government.

Covered short-term loan programs are as follows:

1. Salary Loan
2. Emergency Loan
3. Educational Loan (old)
4. Study Now Pay Later Plan
5. Voc Tech Loans
6. Y2K Loans
7. Investments Incentive Loan

II. AVAILMENT PERIOD

The availment period for the program is up to one (1) year from April 28, 2016 until April 27, 2017

III. TERMS AND CONDITIONS

A. ELIGIBILITY

1. The loan/s must be past due for a period of at least six (6) months as of the first day of restructuring period.
2. The member-borrower
 - a. Must be living or working in calamity/

- a. disaster declared areas as of disaster date or as of application date. "Living" shall refer to the home address of the member-borrower;
 - b. Must be under 65 years old at the end of the installment term;
 - c. Has not been granted any final benefit, i.e. total permanent disability or retirement;
 - d. Has not been disqualified due to fraud committed against the SSS;
3. Member-borrowers with final benefits application (Death, Total Disability, Retirement) whose contingency date is on or before the last day of the availment period of the restructuring program. Said final benefit claim must be filed within the availment period.

B. AREAS COVERED

For other short-term member loans, attached to the circular is the list of covered calamities or disasters and their respective areas declared by NDRRMC as under the state of calamity.

C. RESTRUCTURED LOAN AMOUNT

The sum of principal and accrued interests of all past due short-term loans of the member-borrower shall be consolidated into one Restructured Loan (RL1).



SSS updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

D. PAYMENT TERM

1. Full payment - payable within 30 days from the approval date of restructuring application
2. Installment payment - payable in equal monthly amortization based on payment range as follows:

RLI Range	Applicable Term
P2,000.00 to P18,000.00	12 months
P18,000.00 to P36,000.00	24 months
P36,000.00 to P54,000.00	36 months
P54,000.00 to P72,000.00	48 months
More than P72,000.00	60 months

However, the member-borrower may elect his preferred payment term but not to exceed five years.

E. INTEREST RATE AND PENALTY

1. For installment term, RL1 shall be subject to interest rate of 3% per annum computed on a diminishing principal balance over the applicable payment term.

2. A penalty of 0.5% shall be charged against the amortization due for every month unpaid during RL1 term.

F. CONDITIONAL CONDONATION

Penalties shall be condoned after full payment of outstanding principal and interest of RL1 within the approved term. The balance of RL1 should be zero at the end of the term. Otherwise, the unpaid principal of RL1 and the proportionate balance of condonable penalty shall become part of a new principal under Restructured Loan 2 (RL2).

G. INTEREST RATE AFTER TERM EXPIRY

After the term of RL1 expires and the loan remains outstanding, the new principal balance under RL2 shall henceforth be charged with an Interest rate of 10% per annum until fully paid.

H. OTHER CONDITIONS

1. The member-borrower must personally apply for the restructuring through SSS branches (Over-the-Counter).
2. Member-borrowers who cannot personally apply for the restructuring program may execute a notarized Special Power of Attorney (SPA).

3. The member-borrower must execute an Affidavit attesting that he/she lived in the covered area during the calamity period specified (except for member-borrower with Calamity Loan or Salary Loan Early Renewal Program [SLERP]).

4. While the Restructured Loan is existing or outstanding, the member-borrower cannot avail other SSS short-term loan programs including Educational Assistance Loan Program.

5. The member-borrower may avail of SSS short-term loan program after six (6) months from the date of full payment of the Restructured Loan.

6. Once the member-borrower availed of this loan restructuring program, he/she is disqualified from availing of any future loan condonation/ restructuring programs of SSS.



PhilHealth updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

PHILHEALTH CIRCULAR No. 2016-0008: Statement of Premium Account (SPA) to Replace PhilHealth Premium Payment Slip (PPPS) in all Employer Remittances

The Circular provides that effective applicable month of June 2016, all PhilHealth-Accredited Collecting Agents (ACAs) shall require employers to present their Statement of Premium Accounts (SPA) instead of the PhilHealth Premium Payment Slip (PPPS) before accepting premium contribution payments on behalf of their employees.

The SPA is generated by employers through their own accounts in the Electronic Premium Remittance System or EPRS (an online platform designed to eliminate the manual system of updating employee list, premium remittance, and reporting of employee contributions to PhilHealth, and has been mandated for use by all employees since April 2015 per PhilHealth Circular No. 004-2015).

The Circular has directed all ACAs to observe the following:

1. All premium payments of employers, whether on time or delayed and with or without interests and/or surcharges, shall be

supported by a SPA.

2. Only the amount due as stated in the SPA should be accepted. No underpayments or overpayments shall be allowed even if presented with a PPPS in addition to the SPA
3. The SPA No. shall be used as reference number in the acceptance of payment of the NHIP premium from the employer. Likewise, the same shall be used as an additional reference in the reporting and remittance of the NHIP premium collected from the employer to PhilHealth.

This Circular takes effect on 19 June, 2016.



PhilHealth updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

PHILHEALTH CIRCULAR No. 2016-006: Revision of PhilHealth CARES Form 1 or PCF1, Superseding PhilHealth Circular No. 021-2012

Philhealth has issued the circular to revise the Philhealth CARES Form 1 or PCF1 and to provide guidelines for its use. The PCF1 has been used to certify the benefit eligibility of a person particularly in instances when the PhilHealth ID and/or Member Data Record (MDR) are not readily available.

However, with the issuance of PhilHealth Circular 02-2014, the MDR was replaced by the PhilHealth Benefits Eligibility Form (PBEF) which is generated by the Health Care Institution Portal as the primary document for certifying the benefit of the eligibility of a member or declared legal dependent.

Should the PBEF indicate that the person is not eligible or must submit certain requirements to be eligible, or in any case of system inaccuracy, inconsistency or downtime, the PCF can be used by the Philhealth CARES in certifying eligibility of the patients to the benefits.

Guidelines for the Use of the PhilHealth CARES Form 1

1. The PhilHealth CARES Form 1 or PCF1 shall supersede the previous Form implemented under PhilHealth Circular No. 021-2012.

2. The P-CARES are authorized to issue the PCF1 as proof of membership, proof of declaration of legal dependent and proof of premium contribution under the following conditions:

a. The PCF1 is being issued to patients of the facility where the P-CARES is assigned;

b. Issuance of the PCF1 is preceded by the use of the Health Care Institution (HCI) Portal which yielded a PBEF that indicated “NO” - the patient can not avail of the benefits but information about the eligibility of patient can be deduced from the i-CARES system of the P-CARES;

c. Issuance of the PCF1 is preceded by the use of the Health Care Institution (HCI) Portal which yielded a PBEF that indicated “CONDITIONAL” – the patient may avail subject to submission of documents; however,

information required from the patient is reflected in the i-CARES;

d. The HCI Portal is not accessible on the date and time the PCF1 was issued;

e. The PhilHealth Regional Office certified that the HCI Portal is not yet installed in the health care institution;

3. The PhilHealth Cares form 1 should not be used for the following circumstances:

a. For whatever purpose if a PBEF which specifies “YES” (the patient can avail of the benefits) is available;

b. As proof of membership or proof of declaration as a legal dependent if a Member Data Record (MDR) is readily available;

c. As proof of contribution, if Official Receipts or Certificates Of Contributions Paid, or an MDR reflecting an active validity period, are already available;



PhilHealth updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

d. For whatever purpose if the benefit claim is for confinement/s abroad;

e. For whatever purpose if the benefit claim shall be directly filed to PhilHealth;

4. An issued PCF1 may only be used for one benefit avilment and its original copy shall be attached to the usual claims documents. The use of a photocopied PCF1 as proof of membership, declaration of legal dependent and/or qualifying contributions is strictly prohibited.

The Circular takes effect on 16 June, 2016



SEC updates



- > BIR updates
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

Securities and Exchange Commission (SEC)'s Express Nationwide Submission (SENS)

In order to address the increasing volume of Annual Reports submission consisting of Audited Financial Statements stamped received by the BIR and General Information Sheet (GIS), the SEC has introduced an innovative, integrated solution that will be able to integrate seamlessly with the SEC process. With this, the entities do not have to go personally to the SEC to comply with the annual reportorial requirements.

In line with this, on 18 March 2016, the SEC soft-launched a new system for the submission of these documents called the SEC Express Nationwide Submission or SENS. This allows filers an additional submission option to the SEC's standard procedures. With this option, filers can simply send their documents to the SEC through a designated courier or courier of their choice instead of submitting these personally at the SEC office and/or Satellite Offices.

Below is the step-by-step process when using SENS when submitting documents to the SEC:

1. Log on to www.secexpress.ph/sens
2. Accomplish, print and sign the SENS form, checklist and undertaking. Enclose these documents with the reports to be filed with the SEC in one envelope.
3. Filers who do not require a return copy of the document submissions may proceed to the nearest courier office of their choice and pay the courier fee.
4. Filers who require a return copy of their document submissions may proceed to the designated SENS courier and pay the service/courier fees. A list of designated SENS Couriers is available at www.secexpress.ph/sens for your reference.

The SEC Express System hotline is available to answer any questions regarding SENS. For inquiries, one may dial the hotline at 737-8888 from 8am to 5pm, Mondays to Saturdays.

Notice of confirmation of Company Name reservation

The SEC has issued an advisory to inform that Company Names reserved online must be confirmed at the Name Reservation Unit,

2nd Floor SEC Building, EDSA-Greenhills, Mandaluyong City or at any of the SEC Satellite Offices within four (4) calendar days from date of online reservation. Non-confirmation of reservation within the specified period will forfeit the online reservation.

Confirmation is required to determine if reserved names are "not identical or deceptively or confusingly similar to that of any existing corporation or to any other name already protected by law or is patently deceptive, confusing or contrary to existing laws."

After confirmation, applicant must secure a Reservation Payment Confirmation. A mere Reservation Notice is not sufficient for the acceptance of any application for registration, or change of name of a corporation or partnership.

Once the Reservation Payment Confirmation has been issued, the reservation fee must be paid at the Cashier, SEC Main Office or at any of the designated Landbank branches.



PEZA updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

MEMORANDUM CIRCULAR No. 2016-014: Impending Implementation of Republic Act No. 10708, entitled “An Act Enhancing Transparency in the Management and Accounting of Tax Incentives Administered by Investment Promotion Agencies”

The Memorandum Circular provided for the impending implementation of R.A. No. 10708, otherwise known as the Tax Incentives Management and Transparency Act (TIMTA), was signed into law by President Benigno S. Aquino III on December 09, 2015.

The objective of the law, as stated in Section 2 of the TIMTA, is “to enable the government to monitor, review, and analyze the economic impact (of tax incentives) and thereby optimize the benefits of such incentives.”

The TIMTA requires all business entities registered with Investment Promotion Agencies (IPAs), including PEZA-registered enterprises and Developers/Operators, to submit annual reports to their respective IPAs, including PEZA, particularly on the amount of tax incentives claimed by the business entity for the year. The IPAs, in turn, are required to also submit an annual report to

the BIR consolidating the annual reports of its registered business entities.

As provided in Section 5 of the TIMTA, “Nothing in this Act shall be construed to diminish or limit, in whatever manner the amount of incentives that IPAs may grant pursuant to their charters and existing laws, or to prevent, deter or delay the promotion and regulation of investments, processing of applications for registration, and evaluation of entitlement to incentives by IPAs”

In accordance with the intent of the TIMTA, the 1st annual report on duty and tax exemptions claimed pursuant to the TIMTA that will be required from business entities registered with IPAs will cover the year 2015, to include all Fiscal Years ending in any month of the said year, i.e., beginning with FY ending 31 January 2015 up to Calendar Year ending 31 December 2015. This is aligned with the BIR’s reporting of its tax collections. The deadline for submission of the 2015 report from enterprises is being discussed by the concerned government agencies in the crafting of the IRR as part of the transitory provisions thereof.

In view thereof, all are hereby advised of the following:

For Enterprises and Developers / Operators with accounting period ending 31 December 2015, and subsequent accounting periods thereafter beginning with accounting period ending 31 January 2016, submission of the currently required Annual Report to PEZA, in the current prescribed format, as well as the Report on Details on Taxes Paid and Revenue and the Report on Other Income, is hereby deferred until a Memorandum Order on the new due date of submission thereof is issued by PEZA.

PEZA will issue a new Annual Report format to comply with the data requirements of the TIMTA, as prescribed in the TIMTA IRR when this is signed and issued. The new Annual Report format and contents will be included in the Memorandum Order to all PEZA-registered Enterprises and Developers/ Operators that will be issued by PEZA.



PEZA updates



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

2. However, submission by all Enterprises and Developers / Operators of copy of their respective final (annual) Income Tax Returns (ITRs) filed with the BIR, together with proof of payment of any income tax due, as applicable, and the corresponding Audited Financial Statements with proof of receipt thereof by the BIR, should still be submitted within thirty (30) days from the statutory deadline for filing of the final annual ITR with the BIR, as prescribed in PEZA 's Memorandum Circular No. 2007-011, dated 07 May 2007.

Enterprises and Developers / Operators already availing of the 5% Gross Income Tax shall also continue to submit to PEZA proof of payment of 2% of the 5% Gross Income Tax to the concerned municipal on City Treasurer. of the Municipal or City where its facility is located, within the same thirty (30) – day period following the statutory deadline for the filing of the final Income Tax Returns, as likewise prescribed in PEZA Memorandum Circular No. 2012-015 dated 04 May 2012.

3. As mandated under Section 4 of the TIMTA, all business entities registered with IPAs, including all PEZA-registered Enterprises and Developers / Operators,

must file their respective Income Tax Returns and pay taxes “using the electronic system for filing and payment of taxes of the Bureau of Internal Revenue” unless the BIR allows the manual filing and / or payment thereof, via a BIR-issued Memorandum, in which case, however, the IPA-registered business entities shall comply with conditions therein as prescribed by the BIR. This matter will be addressed in the TIMTA IRR. All are reminded that PEZA issued Memorandum Circular No. 2010-006, dated 05 February 2010, requiring all PEZA-registered entities to use the BIR Electronic Filing and Payment System (eFPS) in accordance with BIR Revenue Regulations 100-1-2010. Please note the penalty provisions in the TIMTA which will apply to enterprises that do not file their Income Tax Returns through BIR's electronic filing system.

4. In preparation for the TIMTA-mandated reports, it is advised that in filing their respective final Income Tax Returns henceforth, all PEZA Enterprises and Developers/Operators entitled to Income Tax Holiday and/or the 5% Gross Income Tax incentives already compute for and indicate the Income Tax Due on Net Income (based on 30% Regular Corporate Income Tax

Rate in their returns for purposes of their computation of the Income Tax exemption claimed for the year which will be part of the reports to be required from enterprises registered with all IPAs.

For the full version of the memorandum circular, please visit the PEZA website: <http://www.peza.gov.ph>



About P&A Grant Thornton



- > BIR update
- > DOLE update
- > SSS updates
- > PhilHealth updates
- > SEC updates
- > PEZA update
- > About P&A Grant Thornton

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