



**UNIVERSITY OF THE PHILIPPINES VISA 'AS**  
Miagao, Iloilo



**OFFICE OF THE CHIEF ACCOUNTANT**

September 4, 2015

**Advisory No. Acctg. 2015-004**

**For : All Job Orders, Contracted Services, and Project Based Personnel**

**Subject : Latest Updates on Withholding Taxes**

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On July 24, 2015, we received the opinion of the Bureau of Internal Revenue regarding the nature of your income from the University on a daily or monthly basis under the terms and conditions of your contract that there is no employee-employer relationship. All premises considered, the BIR OIC-Chief, Legal Division, and approved by the Regional Director, had the opinion to withhold from your salaries the income tax due thereon pursuant to Section 2.79 of RR No. 2-98 dated April 17, 1998 or the Withholding Tax on Compensation Income.

In view of the foregoing, effective August 2015 the withholding tax will be based on your status. In the absence of this data, the Accounting Office deducted a uniform of 10% from your salary. This will be subjected to adjustment upon your compliance of the following:

- A. For those who have filed BIR Form 1901
  1. Duly accomplished BIR Form 1905. Filing of this form will close your self-employment status (BIR Form 1901).
  2. Duly accomplished BIR Form 2305 to update your Tax Status to determine your tax bracket. This form shall be supported by the following in three(3) copies if applicable:
    - a. Photocopy of appointment or contract
    - b. Photocopy of NSO Marriage Certificate
    - c. Original Copy(1) and two (2) photocopy of the NSO Birth Certificate of every dependent

**BIR Forms are available at any BIR Offices or can be downloaded at [www.bir.gov.ph/downloadable-forms](http://www.bir.gov.ph/downloadable-forms).**

- B. For those who have not filed BIR Form 1901 but with Tax Identification Number (TIN) please accomplish BIR Form 2305 only (#2 above) with all the required documents (a-c) applicable.
- C. For those who have no TIN please apply to the BIR otherwise your salaries cannot be processed.