

THIRTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES }
First Regular Session

'04 JUN 30 P11:03

SENATE

S. No. 793

RECEIVED BY: 

INTRODUCED BY HON. MANUEL B. VILLAR, JR.

EXPLANATORY NOTE

The Tax Reform Act of 1997 states that a non-resident citizen's income is taxable only if it is derived from sources within the Philippines. Nonetheless, non-resident citizens whose income is not taxable are required to file an information return.

As non-resident citizens whose income is derived from employment abroad, Overseas Filipino Workers, are also exempted from paying income taxes. Nonetheless, since they have to file an information return, they are appealing for an exemption from payment of penalty in case of late filing of the said returns.

Since the payment of penalty for late filing of the income information return is a mere administrative requirement, this bill aims to amend the Tax Reform Act removing the penalty for late or non-filing of such returns.

As a way of honoring these OFWs who have kept the Philippines afloat with pride and with their remittances, approval of this bill is earnestly sought.


MANUEL B. VILLAR, JR.

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AN ACT
AMENDING SEC. 250 OF THE TAX REFORM ACT OF 1997 WITH REGARD TO
THE LATE-FILING OF THE INFORMATION RETURN OF OVERSEAS FILIPINO
WORKERS.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Sec. 250 of the Tax Reform Act of 1997, is hereby amended, to read to as follows:

"Failure to File Certain Information Returns.-In the case of each failure to file an information return, statement or list, or keep any record, or supply any information required by this Code or by the Commissioner on the date prescribed therefor, unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall, upon notice and demand by the Commissioner, be paid by the person failing to file, keep or supply the same One thousand pesos (P1,000) for each such failure: Provided, however, That the aggregate amount to be imposed for all such failures during a calendar year shall not exceed Twenty-five thousand pesos (P25,000). PROVIDED, FURTHER THAT LATE FILING OF THE REQUIRED INFORMATION RETURN OF OVERSEAS FILIPINO WORKERS SHALL NOT BE PENALIZED".

SECTION 2. *Repealing Clause-* All laws, decrees, ordinances, rules and regulations, executive or administrative orders, and other presidential issuance inconsistent with this Act, are hereby repealed, amended or modified accordingly.

SECTION 3. *Effectivity-* This Act shall take effect after (15) days following its publication in at least two (2) newspapers of general circulation.

Approved,