

ADVISORY ON WITHHOLDING TAX ON ONLINE SALE OF GOODS AND SERVICES

PAGE NOS.

BIR TAX REMINDER
Dated March 6, 2024

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Tax Reminder on withholding tax imposition and requirements for sellers/merchants, e-marketplace operators, and Digital Financial Services Providers

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**BUREAU OF INTERNAL REVENUE
TAX REMINDER
DATED 6 MARCH 2024**

ADVISORY

Tax Reminder

I. Registration and Submission

All sellers/merchants engaged in sale of goods and services in e-marketplaces are required to do the following on or before April 15, 2024¹:

- Register their business; and
- Submit the Sworn Declaration as prescribed under RMC No. 8-2024.

II. Failure to Comply with the Submission

E-marketplace operators and Digital Financial Services Providers (DFSP) shall **automatically withhold the tax of 1% of ½ of gross remittances** of the sellers/merchants regardless of the actual income/gross remittance.

III. Breach of the Threshold During the Taxable Year

The **Sworn Declaration shall be immediately submitted** to the e-marketplace operator or DFSP by the seller/merchant should the gross remittances exceed P500,000.00 at any time during the taxable year.

Source:
BIR Tax Reminder dated 6 March 2024

¹ With the BIR RDO having jurisdiction over their place of business