

## ADVISORY ON WITHHOLDING TAX ON ONLINE SALE OF GOODS AND SERVICES

**PAGE NOS.**

**BIR REVENUE MEMORANDUM CIRCULAR  
NO. 79-2024** **1**

**Extension of the Transitory Period for  
the Actual Imposition of Withholding  
Tax on Gross Remittances by Digital  
Financial Services Providers**

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**EXTENSION OF THE TRANSITORY PERIOD FOR THE ACTUAL IMPOSITION  
OF WITHHOLDING TAX ON GROSS REMITTANCES  
BY DIGITAL FINANCIAL SERVICES PROVIDERS**

The transitory period for **Digital Financial Services Providers (DFSP)** to comply with the provisions of RR No. 16-2023 is **extended until October 12, 2024**.

On the other hand, **e-marketplace operators** are required to impose the withholding tax to sellers/merchants beginning July 15, 2024.

Under RR No. 16-2023, e-marketplace operators and DFSPs are required to:

- ☑ Ensure that all sellers/merchants are registered with the BIR by requiring the submission of their Certificate of Registration (BIR Form No. 2303);
- ☑ Require sellers/merchants to submit a certification/any document as proof of entitlement tax treaty exemption or lower income tax rate;
- ☑ Require sellers/merchants to submit a BIR-received Sworn Declaration on the amount of gross remittances;
- ☑ Monitor gross payments and deduct/remit the withholding tax; and
- ☑ Provide the sellers/merchants the withholding tax certificates (BIR Form No. 2307).

Source:

*BIR Revenue Memorandum Circular No. 79-2024*