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BDB Law

DU-BALADAD AND ASSOCIATES

ADVISORY

SERIES OF 2025

Registration, Tax Return
Filing, and Payment relating
to Nonresident Digital
Service Providers

BUREAU OF INTERNAL REVENUE
Revenue Memorandum Circular No. 78-2025
July 29, 2025

REGISTRATION, TAX RETURN FILING, AND PAYMENT
RELATING TO NONRESIDENT DIGITAL SERVICE PROVIDERS

I. Guidelines on BIR Registration

- Registration of Nonresident Digital Service Providers with the BIR shall be through the Online Registration and Update System ("ORUS") via the link <https://orus.bir.gov.ph>.
- If already registered, update of VAT registration/information may also be done through the ORUS.

II. Guidelines on Portal Enrollment

- Nonresident Digital Service Providers, or their resident third-party service providers, **must enroll** via the VAT on Digital Services ("VDS") Portal (<https://vds.bir.gov.ph>).
- VDS Portal enrollment requires prior registration with the BIR.

III. Guidelines on Appointment of Third-Party Service Providers

- Within thirty (30) days of appointment, the BIR shall be informed of such appointment through email at rdo39_vds@bir.gov.ph with a copy of the Letter of Appointment.
- Appointment of a third-party service provider **shall not classify** the Nonresident Digital Service Providers as a resident foreign corporation doing business in the Philippines.

IV. Guidelines on Tax Return Filing and Payment

- The VAT return (BIR Form No. 2550-DS) must be filed and the corresponding VAT due be paid on or before the 25th day following the close of each taxable quarter (in accordance with the Philippine Time Zone, GMT+8).
- Filing of the VAT return shall be through the VDS Portal. The necessary data shall be encoded in the portal.
- Payment of the corresponding VAT due shall be via authorized payment channels within the VDS Portal or as may be prescribed by the BIR.
- Erroneously paid VAT by Nonresident Digital Service Providers may not be refunded but may be carried over to succeeding quarter/s as overpayment (subject to amendment of the previously filed BIR Form No. 2550-DS)

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V. Monitoring and Compliance

- ☑ Verification from third-party information/sources may be conducted by the BIR. Nonresident Digital Service Providers shall be informed of any discrepancy and shall be given the opportunity for voluntary correction.
- ☑ Any act of misrepresentation, failure to file, or non-remittance, as well as the failure to rectify discrepancies, shall be subject to applicable surcharges, interests, penalties, criminal liability, and blocking of sites.

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Learn more:

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Du-Baladad and Associates (BDB Law) is a multi-awarded, global tax law firm in the Philippines that offers services around 3 major areas of practice – **tax**, **legal** and **consulting**.

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