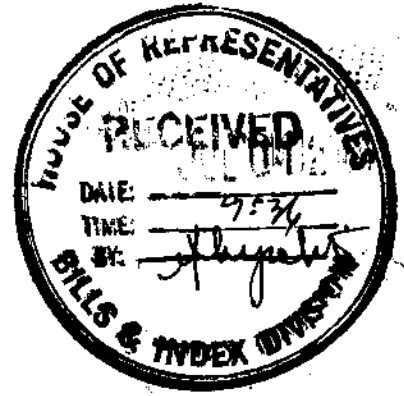


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



THIRTEENTH CONGRESS
First Regular Session

H. B. NO. 99

Introduced by HON. JUAN EDGARDO "SONNY" M. ANGARA

EXPLANATORY NOTE

The filing of income tax is an annual chore that few taxpayers look forward to because of the work that it involves. For employees of the district offices of the Bureau of Internal Revenue (BIR), the deadline for filing of income tax returns each year likewise means an insurmountable amount of work.

It is submitted that the work involved for both taxpayers and the government in the filing of these returns would be considerably lessened if fixed income earners were exempted from the filing of income tax returns. Since their income taxes are already withheld by their employers, the filing of income earners, the certificates of withholding income may serve as proof of income, in lieu of income tax returns.

The exemption of fixed income earners from the filing of income tax returns would help the BIR meet its objective of simplifying and streamlining the country's entire tax of collection system. This would also contribute towards the improvement of the overall efficiency of the BIR.

In view of the foregoing, the early approval of this Bill is earnestly requested.

JUAN EDGARDO "SONNY" M. ANGARA
Representative
Lone District, Province of Aurora

H. B. No. 99

Introduced by HON. JUAN EDGARDO "SONNY" M. ANGARA

AN ACT
PROVIDING FOR THE EXEMPTION OF FIXED INCOME EARNERS
FROM THE FILING OF INCOME TAX RETURNS, AMENDING
FOR THE PURPOSE SECTION 51(A)(2)(b) OF REPUBLIC ACT NO. 8424,
OTHERWISE KNOWN AS THE TAX REFORM ACT OF 1997

Be it enacted by the House of Representatives of the Philippines in Congress Assembled:

SECTION 1. Section 51(A)(2)(b) of Republic Act No. 8424, otherwise known as the Tax Reform Act of 1997 is hereby amended to read as follows:

"SEC. 51. *Individual Return.* –

"(A) XXX

"(1) XXX

"(a) XXX

"(b) XXX

"(c) XXX

"(d) XXX

"(2) The following individuals shall not be required to file an income tax return:

"(a) XXX

"(b) An individual [with respect to] **EARNING** pure compensation income, as defined in Section 32(A)(1), [derived] from sources within the Philippines, **FROM ONE EMPLOYER**, the income tax on which has been correctly withheld under the provisions of Section 79 of this Code **AS EVIDENCED BY THE EMPLOYER'S CERTIFICATE OF COMPENSATION PAYMENT/TAX WITHHELD ISSUED BY THE EMPLOYER:** *Provided,* That an individual deriving compensation concurrently from two or more employers at any time during the taxable year shall file an income tax return [*Provided, further,* That an individual whose pure compensation income derived from sources within the Philippines exceeds Sixty thousand pesos (P60,000) shall also file an income tax return];"

SEC. 2. *Repealing Clause.* – All provisions of laws, decrees, executive orders, issuances, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 3. *Effectivity.* – This Act shall take effect upon approval.

Approved,