

Section A		Gross Income					
Schedule 1		Schedule of Sales/Revenues/Receipts/Fees					
		Special Rate		Regular Rate			
		Creditable Tax Withheld	Taxable Amount	Creditable Tax Withheld	Taxable Amount		
	36	Sale of Goods/Properties					
	37	Sale of Services					
	38	Lease of Properties					
	39	Total					
40	Less: Sales Returns/Discounts						
41	Net Sales/Revenues/Receipts/Fees (to Item 14)						
Schedule 2		Schedule of Cost of Sales (Trading / Manufacturing)					
		Amount under Special Rate		Amount under Regular Rate			
	42	Merchandise/Finished Goods Inventory, Beginning					
	43	Add: Purchases of Merchandise/Cost of Goods Manufactured					
	44	Total Goods Available for Sale					
	45	Less: Merchandise/Finished Goods Inventory, End					
	46	Cost of Sales (to Item 15)					
Schedule 3		Schedule of Cost of Sales (Service)					
		Amount under Special Rate		Amount under Regular Rate			
	47	Direct Charges - Salaries, Wages and Benefits					
	48	Direct Charges - Materials, Supplies, and Facilities					
	49	Direct Charges - Depreciation					
	50	Direct Charges - Rental					
	51	Direct Charges - Outside Services					
	52	Direct Charges - Others					
	53	Total Cost of Services (Sum of Items 47 to 52) (to Item 15)					
Schedule 4		Schedule of Taxable Other Income					
		Nature of Income	Special Rate		Regular Rate		
			Creditable Tax Withheld	Taxable Amount	Creditable Tax Withheld	Taxable Amount	
	54						
	55						
	56						
	57						
	58						
	59						
	60						
	61	Total Other Income (to Item 17)					
	Section B		Computation of Minimum Corporate Income Tax (MCIT) of Current Year				
	62	Total Gross Income for MCIT purposes					
63	Tax Rate			2%			
64	Minimum Corporate Income Tax (to Item 23)						
Section C		Computation of Excess Minimum Corporate Income Tax (MCIT) of Previous Year					
	Year	Normal Income Tax as adjusted	MCIT	Excess of MCIT over Normal Income Tax as adjusted	Excess MCIT applied this Year	Balance MCIT still allowable as Tax Credit	Expired Portion of Excess MCIT
	65						
	66						
	67						
	68						
	69						
Section D		Computation of Improperly Accumulated Earnings Tax					
70	Taxable Income						
71	Add: Income Exempt from Tax						
	Income Excluded from Gross Income						
	Income Subject to Final Tax						
	Net Operating Loss carry-over deducted						
72	Total						
73	Less: Dividends actually or constructively paid						
	Income Tax Paid for the taxable year						
74	Improperly Accumulated Taxable Income						
75	Tax Rate					10%	
76	Improperly Accumulated Earnings Tax (to Item 28)						

Section E Deductions			
Nature of Expense / Deduction	EXEMPT	TAXABLE	
		Special Rate	Regular Rate
77 Salaries and Allowances			
78 Fringe Benefits			
79 SSS, GSIS, Medicare, HDMF and Other Contributions	-	-	-
80 Commissions			
81 Outside Services			
82 Advertising			
83 Rental			
84 Insurance			
85 Royalties			
86 Repairs & Maintenance			
87 Representation & Entertainment			
88 Transportation & Travel			
89 Fuel and Oil			
90 Communications, Light and Water			
91 Supplies			
92 Interest			
93 Taxes & Licenses			
94 Losses			
95 Bad Debts			
96 Depreciation			
97 Amortization of Intangibles			
98 Depletion			
99 Charitable Contribution			
100 Research and Development			
101 Amortization of Pension Trust Contribution			
102 Miscellaneous			
103 Total Expenses (Sum of Items 77 to 102) (to Item 19A, B & C)			

Section F Reconciliation of Net Income Per Books Against Taxable Income			
		Special Rate	Regular Rate
104 Net Income/(Loss)per books.....		.	.
105 Add: Non-deductible Expenses/Other Taxable Income			
		.	.
		.	.
		.	.
		.	.
		.	.
106 Total (Sum of Items 104 & 105).....		.	.
107 Less: Non-taxable Income and Income subjected to Final Tax			
		.	.
		.	.
		.	.
		.	.
		.	.
108 Special Deductions:			
		.	.
		.	.
		.	.
109 Total (Sum of Items 107 & 108).....		.	.
110 Net Taxable Income/(Net Loss) (Item 106 less Item 109)		.	.

We declare, under the penalties of perjury, that this return has been made in good faith, verified by us, and to the best of our knowledge and belief, is true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof.

111 _____
President/Vice President/Authorized Representative
(Signature over printed Name)

112 _____
Treasurer/Asst. Treasurer/Authorized Representative
(Signature over printed Name)

Community Tax Certificate Number	Place of Issue	Date Issued			Amount
		MM	DD	YYYY	
113	114	115			116

Operation Code	ATC	Description	Tax Rate	Tax Base	Operation Code	ATC	Description	Tax Rate	Tax Base
		DOMESTIC CORPORATION							
01	IC 010	1. In General a. 1998 34% 1999 33% 2000 32%		Taxable Income from All sources	13 01	IC 011 IC 010	7. Exempt Corporation a. On Exempt Activities b. On Taxable Activities	0% same rate as in 1a	On Taxable Income
	IC 055 IC 370	b. Minimum Corporate Income Tax 2% c. Improperly Accumulated Earnings Tax 10%		Gross Income Improperly Accumulated Taxable Income	14	IC 021	8. General Professional Partnership	0%	
02	IC 030	2. Proprietary Educational Institutions	10%	On Taxable Income from All sources			9. Corporation covered by Special Law		
02	IC 031	3. Non-stock, Non-Profit Hospitals	10%	On Taxable Income from All sources			RESIDENT FOREIGN CORPORATION		
04	IC 040	4. GOCC, Agencies & Instrumentalities a. 1998 34% 1999 33% 2000 32%		On Taxable Income from All sources	09	IC 070	1. In General a. 1998 34% 1999 33% 2000 32%		On Taxable Income from within the Philippines
		b. Minimum Corporate Income Tax 2% c. Improperly Accumulated Earnings Tax 10%		On Gross Income Improperly Accumulated Taxable Income		IC 055 IC 370	b. Minimum Corporate Income Tax 2% c. Improperly Accumulated Earnings Tax 10%		On Gross Income Improperly Accumulated Taxable Income
					10	IC 080	2. International Carriers	2.5%	Gross Philippine Billing
						IC 101	3. Regional Operating Headquarters	10%	On taxable income
	IC 041	5. National Gov't & LGU's a. 1998 34% 1999 33% 2000 32%		On Taxable Income from Proprietary activities			4. Corporation covered by Special Law		
		b. Minimum Corporate Income Tax 2% c. Improperly Accumulated Earnings Tax 10%		On Gross Income Improperly Accumulated Taxable Income		IC 190	5. Offshore Banking Units (OBU's)	10%	On Gross Taxable Income on Foreign Currency Transaction not subjected to Final Tax
08	IC 020	6. Taxable Partnership a. 1998 34% 1999 33% 2000 32%		On Taxable Income from All sources			a. 1998 34% 1999 33% 2000 32%		On Taxable Income Other Than Foreign Currency Transaction
	IC 055 IC 370	b. Minimum Corporate Income Tax 2% c. Improperly Accumulated Earnings Tax 10%		On Gross Income Improperly Accumulated Taxable Income		IC 191	6. Foreign Currency Deposit Units (FCDU's)	10%	On Gross Taxable Income on Foreign Currency Transaction not subjected to Final Tax
							a. 1998 34% 1999 33% 2000 32%		On Taxable Income Other Than Foreign Currency Transaction

* PLEASE REFER TO REVENUE DISTRICT OFFICES

BIR Form No. 1702 - Annual Income Tax Return (For Corporations and Partnerships)
GUIDELINES AND INSTRUCTIONS

Who shall file

Every corporation, partnership no matter how created or organized, joint stock companies, joint accounts, associations (except foreign corporation not engaged in trade or business in the Philippines and joint venture or consortium formed for the purpose of undertaking construction projects or engaging in petroleum, coal, geothermal and other energy operations), government-owned or controlled corporations, agencies and instrumentalities shall render a true and accurate income tax return in accordance with the provisions of the Tax Code. The return shall be filed in triplicate copies by the president, vice-president or other principal officer and shall be sworn to by such officer and by the Treasurer or Assistant Treasurer.

Every general professional partnership shall file a return of its income setting forth the items of gross income and of deductions and the names, TINs, addresses and shares of each of the partners.

The general professional partnership is not supposed to pay income tax, such tax to be paid by the individual partners.

When and Where to File

The return shall be filed, with or without payment, on or before the 15th day of the fourth month following the close of the taxpayer's taxable year. This return shall be filed with any Authorized Agent Bank (AAB) located within the territorial jurisdiction of the Revenue District Office where the taxpayer is required to register/which has jurisdiction over the location of the principal office of the "CORPORATION" filing the return or place where its main books of accounts and other data from which the return is prepared are kept.

In places where there are no AABs, the return shall be filed with the Revenue Collection Officer or Duly Authorized City or Municipal Treasurer of the municipality or city under the jurisdiction of the Revenue District Office where the taxpayer is required to register/which has jurisdiction over the location of the principal office of the "CORPORATION" filing the return or place where its main books of accounts and other data from which the return is prepared are kept.

(It is suggested, however, that the tax return be filed with the appropriate collection agent of the Revenue District Office where the taxpayer is required to register.)

When and Where to Pay

Upon filing this return, the total amount payable shall be paid in full to the AAB where the return is filed. In places where there are no AABs, payment shall be made directly to the Revenue Collection Officer or duly Authorized City or Municipal Treasurer who shall issue Revenue Official Receipt (BIR Form No. 2524).

Where the return is filed with an AAB, the lower portion must be duly machine validated and stamped received to serve as receipt of payment. The machine validation shall reflect the amount paid, the date of payment and the transaction code and the stamp mark shall show the name of the AAB, branch code, teller's code and teller's initial. The AAB may also issue an Official Receipt as additional proof of payment.

Tax Refund/Credit

An excess of the total tax credits/payments over the actual income tax due computed in the final adjusted return may be refunded or issued with the Tax Credit Certificate to the taxpayer or credited against his estimated income tax liabilities for the quarters of the succeeding taxable years. The taxpayer shall exercise his option by marking with an "x" the appropriate box, which option shall be considered irrevocable for that taxable period. Thus, once the taxpayer opted to carry-over and apply the excess income tax against income tax due for the succeeding taxable year, no application for cash refund or issuance of a tax credit certificate shall be allowed. In case the taxpayer fails to signify his choice, the excess payment shall be automatically carried-over to the next taxable period.

Normal Rate of Income Tax

Effective January 1, 1998, the rate of income tax shall be 34%; 33% and 32% for 1999 and 2000, respectively.

In addition to the appropriate income tax due, a tax equivalent to 10% shall be imposed on the improperly accumulated taxable income.

Minimum Corporate Income Tax (MCIT)

A minimum corporate income tax of two percent (2%) of the gross income is imposed on a corporation beginning on the fourth year immediately following the year in which such corporation commenced its business operation, when the minimum income tax is greater than the tax computed using the normal income tax rate. Any excess of the minimum corporate income tax over the normal income tax shall be carried forward and credited against the normal income tax for the three (3) immediate succeeding taxable years.

The MCIT shall be determined on a taxable year basis.

Penalties:

- There shall be imposed and collected as part of the tax:
- A surcharge of twenty five percent (25%) for each of the following violations:
 - Failure to file any return and pay the amount of tax or installment due on or before the due dates;
 - Unless otherwise authorized by the Commissioner, filing a return with a person or office other than those with whom it is required to be filed;
 - Failure to pay the full or part of the amount of tax shown on the return, or the full amount of tax due for which no return is required to be filed, on or before the due date;
 - Failure to pay the deficiency tax within the time prescribed for its payment in the notice of assessment.
 - A surcharge of fifty percent (50%) of the tax or of the deficiency tax, in case any payment has been made on the basis of such return before the discovery of the falsity or fraud, for each of the following violations:
 - Willful neglect to file the return within the period prescribed by the code or by rules and regulations; or
 - In case a false or fraudulent return is willfully made.
 - Interest at the rate of twenty percent (20%) per annum or such higher rate as may be prescribed by rules and regulations, on any unpaid amount of tax, from the date prescribed for the payment until it is fully paid.
 - Compromise penalty.

Attachments Required:

- Account Information Form (AIF) and the Certificate of the independent CPA (The CPA Certificate is required if the gross quarterly sales, earnings, receipts or output exceed P 150,000);
- Certificate of Income Payments not subjected to Withholding Tax (BIR Form 2304);
- Certificate of Creditable Tax Withheld at Source (BIR Form 2307);
- Duly approved Tax Debit Memo, if applicable;
- Proof of prior years' excess credits, if applicable;
- Proof of Foreign Tax Credits, if applicable;
- For amended return, proof of tax payment and the return previously filed.

Note: All Background information must be properly filled up.

- Nos. 1 and 2 of this form refer to transaction period and not the date of filing this return.
- The last 3 digits of the 12-digit TIN refers to the branch code.
- TIN = Taxpayer Identification Number.

ENCS