

NPM No. 009-2018

12 April 2018

BIDS AND AWARDS COMMITTEE - GOODS

PROVINCE OF IFUGAO

<bacgoodsifugao13@gmail.com>

Re: Income/Business Tax Return-

Dear Ifugao BAC-Goods:

This refers to your electronic mail inquiring whether the annual or quarterly income or business tax return is the mandatorily required document for projects undertaken through the Alternative Modes of Procurement, particularly, Negotiated Procurement (Small Value) under Section 53.9 of the 2016 revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184.

The mandatory documents to be submitted by the suppliers, manufacturers, distributors, contractors, and consultants are enumerated in Appendix A of the Consolidated Guidelines for the Alternative Methods of Procurement or Annex "H" of the 2016 revised IRR of RA 9184.

Under Appendix A of Annex "H" of the 2016 revised IRR, the following are the documentary requirements prescribed for Negotiated Procurement (Small Value), namely: (1) Mayor's/Business Permit; (2) Philippine Government Electronic Procurement System (PhilGEPS) Registration Number; (3) **Income/Business Tax Return**; and (4) Omnibus Sworn Statement, in addition to (a) Professional License/Curriculum Vitae or (b) Philippine Contractors Accreditation Board (PCAB) License for the procurement for Consulting Services or Infrastructure Projects, as the case may be. (*Emphasis ours*)

Please also note that the Bids and Awards Committee, shall in the Request for Quotation or Request for Proposal, indicate at what stage of the procurement process the said requirements must be submitted.

Anent the submission of the Income/Business Tax Returns, we refer you to Sections 3.2 and 3.3 of Revenue Regulation (RR) No. 3-2005, which define what would constitute the latest Income Tax Return (ITR) and business tax return,¹ respectively. For a new establishment having no annual ITR, the latest ITR refers to the most recent quarter's ITR, while the latest business tax return of a new establishment with less than six (6) months operations refers to the monthly business tax return filed as of date of submission of bids.² (sgd.)

¹ 3.3 Latest Business Tax Return

Refers to the Value Added Tax (VAT) or Percentage tax returns covering the previous six (6) months. ...

² Non-Policy Matter Opinion No. 170-2012, dated 28 December 2018.

In view of the foregoing, a new establishment may submit its most recent quarterly ITR and monthly business tax return to comply with the latest ITR and business tax return requirements under RR No. 3-2005, pursuant to the mandate of Executive Order No. 398; otherwise, the annual ITR or business tax return is required.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this opinion is being issued on the basis of facts and particular situations presented, and may not be applicable given a different set of facts and circumstances. Should there be other concerns, please do not hesitate to contact us.

Very truly yours.
(sgd.)

~~DENNIS S. SANTIAGO~~
Executive Director (sgd.)

SRK
//rds