

(To be filled up by the BIR)

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Republika ng Pilipinas  
Kagawaran ng Pananalapi  
Kawanihan ng Rentas Internas

# Annual Income Tax Return

For Individuals Earning Purely Compensation Income  
(Including Non-Business/Non-Profession Income)

BIR Form No.

# 1700

November 2011 (ENCS)

All information must be written in CAPITAL LETTERS.

Fill in all blank spaces. Shade all applicable circles.

TO BE FILED IN THREE (3) COPIES: (1) BIR FILE COPY (2) BIR ENCODING COPY (3) TAXPAYER FILE COPY

1 For the year (YYYY) <input type="text"/>	2 Amended Return? <input type="radio"/> Yes <input type="radio"/> No	3 Joint Filing? <input type="radio"/> Yes <input type="radio"/> No	4 Alphanumeric Tax Code (ATC) <input type="radio"/> Compensation Income <input type="text" value="II 011"/> <input type="radio"/> Other Income <input type="text" value="II 041"/>
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### Part 1 Background Information Taxpayer/Filer

5 Taxpayer Identification Number (TIN) <input type="text"/>	6 RDO Code <input type="text"/>
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7 Taxpayer's Name
<input type="text"/>
<i>Last Name</i> <input type="text"/> <i>First Name</i> <input type="text"/> <i>Middle Name</i> <input type="text"/>

8 Registered Address
<input type="text"/>
<i>(Unit/Room Number/Floor)</i> <input type="text"/> <i>(Building Name)</i> <input type="text"/>
<i>(Lot Number)</i> <input type="text"/> <i>(Block Number)</i> <input type="text"/> <i>(Phase Number)</i> <input type="text"/> <i>(House Number)</i> <input type="text"/> <i>(Street Name)</i> <input type="text"/>
<i>(Subdivision/Village)</i> <input type="text"/> <i>(Barangay)</i> <input type="text"/>
<i>(Municipality/City)</i> <input type="text"/> <i>(Province)</i> <input type="text"/> <i>(Zip Code)</i> <input type="text"/>

9 Date of Birth (MM/DD/YYYY) <input type="text"/>	10 Gender <input type="radio"/> Male <input type="radio"/> Female	11 Civil Status <input type="radio"/> Single <input type="radio"/> Married <input type="radio"/> Separated <input type="radio"/> Widow/er	12 Contact Number <input type="text"/>
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13 E-mail Address <input type="text"/>	14 Claiming for Additional Exemptions? <input type="radio"/> Yes <input type="radio"/> No	15 If yes, number of Qualified Dependent Children <input type="text"/>
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### Spouse

16 Spouse's Name
<input type="text"/>
<i>Last Name</i> <input type="text"/> <i>First Name</i> <input type="text"/> <i>Middle Name</i> <input type="text"/>

17 Taxpayer Identification Number (TIN) <input type="text"/>	18 Date of Birth (MM/DD/YYYY) <input type="text"/>	19 Contact Number <input type="text"/>
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20 E-mail Address <input type="text"/>	21 Claiming for Additional Exemptions? <input type="radio"/> Yes <input type="radio"/> No	22 If yes, number of Qualified Dependent Children <input type="text"/>
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### 23 Qualified Dependent Children

	Last Name	First Name	Middle Name	Date of Birth (MM/DD/YYYY)	Mark if Mentally/Physically Incapacitated
1	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>
2	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>
3	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>
4	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>

Part II		Computation of Tax																	
		Taxpayer/Filer								Spouse									
24	Gross Compensation Income (from Schedule 1)	24A									24B								
25	Less: Non-Taxable/Exempt Compensation	25A									25B								
26	Gross Taxable Compensation Income (Item 24A less 25A/ Item 24B less 25B)	26A									26B								
27	Less: Deductions																		
	27A/B Premium on Health and/or Hospitalization Insurance	27A									27B								
	27C/D Personal Exemption	27C									27D								
	27E/F Additional Exemption	27E									27F								
	27G/H Total Deductions (Sum of Items 27A, 27C & 27E/ 27B, 27D & 27F)	27G									27H								
28	Net Taxable Compensation Income/(Excess of Deductions)(Item 26A less 27G/ Item 26B less 27H)	28A									28B								
29	Add: Other Taxable Income (Non-Business/Non-Profession)																		
		29A									29B								
30	Total Taxable Income (Sum of items 28A & 29A/ 28B & 29B)	30A									30B								
31	Tax Due (refer to Tax Table on page 3)	31A									31B								
32	Less: Tax Credits/Payments (attach proof)																		
	32A/B Tax Withheld per BIR Form No. 2316	32A									32B								
	32C/D Tax Paid in Return Previously Filed, if this is an Amended Return	32C									32D								
	32E/F Foreign Tax Credits	32E									32F								
	32G/H Other Payments/Credits, specify _____	32G									32H								
	32I/J Total Tax Credits/Payments (Sum of Items 32A, 32C, 32E & 32G/ 32B, 32D, 32F & 32H)	32I									32J								
33	Net Tax Payable/(Overpayment) (Item 31A less 32I/ Item 31B less 32J)	33A									33B								
34	Add: Penalties																		
	34A/B Surcharge	34A									34B								
	34C/D Interest	34C									34D								
	34E/F Compromise	34E									34F								
	34G/H Total Penalties (Sum of Items 34A, 34C & 34E/ 34B, 34D & 34F)	34G									34H								
35	Total Amount Payable/(Overpayment) (Sum of Items 33A & 34G/ 33B & 34H)	35A									35B								
36	Less: Portion of Tax Payable Allowed for 2nd Installment Payment to be paid on or before July 15 (not less than 50% of 31A/31B)	36A									36B								
37	Amount of Tax Required to be Paid Upon Filing of this Return (Item 35A less 36A/ Item 35B less 36B)	37A									37B								
38	Aggregate Amount Payable/(Overpayment) (Sum of items 37A & 37B)	38																	

Schedule 1 Gross Compensation Income and Tax Withheld (attach additional sheet/s, if necessary)																										
		Taxpayer Identification				TAXPAYER/FILER				SPOUSE																
		Number (TIN)				Compensation Income				Tax Withheld																
Name of Employer																										
39		39A					39B					39C					39D					39E				
40		40A					40B					40C					40D					40E				
41		41A					41B					41C					41D					41E				
42	Total Compensation Income/Tax Withheld (Sum of Items 39 to 41)(to Item 24)	42A					42B					42C					42D					42E				

Part III Details of Payment																						
Particulars		Drawee Bank/Agency				Number				Date (MM/DD/YYYY)				Amount				Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)				
43	Cash/Bank Debit Memo	43A					43B					43C					43D					
44	Check	44A					44B					44C					44D					
45	Tax Debit Memo	45A					45B					45C					45D					
46	Others	46A					46B					46C					46D					

NOTE: Read Guidelines and Instructions on Page 4.

47 New Address
(Unit/Room No., Floor) (Building Name) (Lot No. Block No. Phase No. House No.) (Street Name)
(Subdivision/Village) (Barangay) (Municipality/City) (Province) (Zip Code)

I declare, under the penalties of perjury, that this annual return has been made in good faith, verified by me, and to the best of my 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.

48 Signature over Printed Name of Taxpayer/Authorized Representative (attach authorization)/Accredited Tax Agent (ATA)
Position and TIN of Authorized Representative/ATA
Tax Agent Accreditation No./Atty's Roll No. (if applicable)
Issue Date
Expiry Date

49 Community Tax Certificate Number
50 Place of Issue
51 Date of Issue (MM/DD/YYYY)
52 Amount

Tax Table

Table with 4 columns: If Taxable Income is: (Not over P 10,000, Over P 10,000 but not over P 30,000, Over P 30,000 but not over P 70,000, Over P 70,000 but not over P 140,000), Tax Due is: (5%, P 500 + 10% of the excess over P 10,000, P 2,500 + 15% of the excess over P 30,000, P 8,500 + 20% of the excess over P 70,000), If Taxable Income is: (Over P 140,000 but not over P 250,000, Over P 250,000 but not over P 500,000, Over P 500,000), Tax Due is: (P 22,500 + 25% of the excess over P 140,000, P 50,000 + 30% of the excess over P 250,000, P 125,000 + 32% of the excess over P 500,000)

Part IV Supplemental Information (attach additional sheet/s, if necessary)

Gross Income/Receipts Subjected to Final Withholding
Tax on Income
53 Interests
Actual Amount (53A), Final Tax Withheld/paid (53B), Exempt (53C), Actual Amount (53D), Final Tax Withheld/Paid (53E), Exempt (53F)

54 Royalties, 55 Dividends, 56 Prizes and Winnings, 57 Fringe Benefits, 58 Compensation Subject to 15% Preferential Rate
Actual Amount/Fair Market Value/Net Capital Gains (TAXPAYER/FILER: 54A-54C, SPOUSE: 54A-54D), Final Tax Withheld/Paid (TAXPAYER/FILER: 54B, SPOUSE: 54C)

59 Sale/Exchange of Real Properties
Description of Property (e.g., land, building, improvement), OCT/TCT/CCT/Tax Declaration Number (59A-59H), Certificate Authorizing Registration (CAR) Number (59I-59J), Actual Amount/Fair Market Value/Net Capital Gains (59K-59L), Final Tax Withheld/Paid (59M-59N)

60 Sale/Exchange of Shares of Stocks
Kind of Stocks\*, Stock Certificate Series Number, Certificate Authorizing Registration (CAR) Number, Number of Shares, Date of Issue (MM/DD/YYYY), Actual Amount/Fair Market Value/Net Capital Gains (60F-60O), Final Tax Withheld/Paid (60P-60Q)

61 Other Income Subject to Final Tax Under Sec. 57(A) of the Tax Code, as amended (specify)
61A, 61B, 61C, 61D, 61E
62 Total Final Tax Withheld/Paid (Sum of Items 53B to 58B, 59E, 59L, 60G, 60P & 617C/ 53E, 54D to 58D, 59G, 59N, 60I, 60R & 61E)

Gross Income/Receipts Exempt from Income Tax
63 Proceeds of Life Insurance Policy, 64 Return of Premium, 65 Retirement Benefits, Pensions, Gratuities, etc.
Actual Amount/Fair Market Value (63A-63B, 64A-64B, 65A-65B)

66 Personal/Real Properties Received thru Gifts, Bequests, and Devises
Description of Property (e.g., cash, land, building, improvement), Mode of Transfer (e.g., inheritance, donation), Certificate Authorizing Registration (CAR) Number, Actual Amount/Fair Market Value (66A-66E)

67 Other Exempt Income/Receipts Under Sec. 32 (B) of the Tax Code, as amended (specify)
67A, 67B, 67C
68 Total Income/Receipts Exempt from Income Tax (Sum of Items 63A to 65A, 66D & 67B/ 63B to 65B, 66E & 67C)
68A, 68B

## GUIDELINES AND INSTRUCTIONS

### Who Shall File Income Tax Return (ITR)

This return shall be filed by every resident citizen deriving compensation income from all sources, or resident alien and non-resident citizen with respect to compensation income from within the Philippines, except the following:

1. An individual whose gross compensation income does not exceed his total personal and additional exemptions.
2. An individual with respect to pure compensation income, as defined in Section 32(A)(1) derived from sources within the Philippines, the income tax on which has been correctly withheld (tax due equals tax withheld) under the provisions of Section 79 of the Code: 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.
3. An individual whose income has been subjected to final withholding tax (alien employee as well as Filipino employee occupying the same position as that of the alien employee of regional or area headquarters and regional operating headquarters of multinational companies, petroleum service contractors and sub-contractors, and offshore banking units; non-resident alien not engaged in trade or business).
4. A minimum wage earner or an individual who is exempt from income tax.

In case of married individuals who are still required to file returns or in those instances not covered by the substituted filing of returns, only one return for the taxable year shall be filed by either spouse to cover the income of the spouses, which return shall be signed by the husband and wife, unless it is physically impossible to do so, in which case signature of one of the spouses would suffice.

Individuals not required to file an ITR or those qualified for substituted filing may voluntarily file this return for purposes of loans, foreign travel requirements and for other purposes they may deem proper.

However, individuals other than those solely earning income as OFWs as defined in RR No. 1-2011 availing of the benefits of special law, such as, but not limited to the PERA Law are required to file an ITR.

"Minimum Wage Earner" shall refer to a worker in the private sector paid the statutory minimum wage or to an employee in the public sector with compensation income of not more than the statutory minimum wage in the non-agricultural sector where he/she is assigned.

"Fair Market Value" as determined in accordance with Section 6(E) of the Tax Code, as amended, shall be used in reporting the non-cash income and receipts in the Supplementary Information.

The term "individual whose compensation income has been subjected to final withholding tax" shall include aliens or Filipino citizens occupying the same positions as the alien employees, as the case may be, who are employed by regional operating headquarters, regional or area headquarters, offshore banking units, petroleum service contractors and sub-contractors, pursuant to pertinent provisions of Sections 25 (C), (D), (E) and 57(A), including those subject to Fringe Benefit Tax (FBT) under Section 33 of the Tax Code, as amended, Republic Act No. 8756, Presidential Decree No. 1354, and other pertinent laws.

"Registered Address" refers to the preferred address (i.e. residence or employer's business address) provided by the taxpayer upon registration with the BIR using BIR Form No. 1902 (Application for Registration-For Individuals Earning Purely Compensation Income and Non-Resident Citizens/Resident Alien Employee).

### When and Where to File and Pay

#### 1. For Electronic Filing and Payment System (eFPS) Taxpayer

The return shall be e-filed and the tax shall be e-paid on or before the **15<sup>th</sup> day of April** of each year covering income for the preceding taxable year using the eFPS facilities thru the BIR website <http://www.bir.gov.ph>.

#### 2. For Non-Electronic Filing and Payment System (Non-eFPS) Taxpayer

The return shall be filed and the tax shall be paid on or before the **15<sup>th</sup> day of April** of each year covering income for the preceding taxable year with any Authorized Agent Bank (AAB) located within the territorial jurisdiction of the Revenue District Office (RDO) where the taxpayer is registered. In places where there are no AABs, the return shall be filed and the tax shall be paid with the concerned Revenue Collection Officer (RCO) under the jurisdiction of the RDO.

In case of "NO PAYMENT RETURNS", the same shall be filed with the RDO where the taxpayer is registered or with the concerned RCO under the same RDO.

#### 3. For Installment Payment

When the tax due exceeds P 2,000, the taxpayer may elect to pay in two equal installments, the first installment to be paid at the time the return is filed and the second, **on or before July 15** of the same year.

#### 4. For Non-Resident Taxpayer

In case taxpayer has no legal residence or place of business in the Philippines, the return shall be filed with the Office of the Commissioner thru Revenue District Office No. 39, South Quezon City.

### Gross Taxable Compensation Income

The gross taxable compensation income of the taxpayer does not include employees' contributions to SSS, GSIS, HDMF, PHIC and Union Dues.

The non-business/non-profession related income reported under "other taxable income" should reflect only the net taxable amount.

### Premium Payment on Health and/or Hospitalization Insurance

The amount of premiums not to exceed Two Thousand Four Hundred Pesos (P 2,400) per family or Two Hundred Pesos (P 200) a month paid during the taxable year for health and/or hospitalization insurance taken by the taxpayer for himself, including his family, shall be allowed as a deduction from his gross income: *Provided*, That said family has a gross income of not more than Two Hundred Fifty Thousand Pesos (P 250,000) for the taxable year: *Provided, finally*, That in the case of married taxpayers, only the spouse claiming the additional exemption for dependents shall be entitled to this deduction.

### Personal and Additional Exemptions

Individual taxpayer, whether single or married, shall be allowed a basic personal exemption of Fifty Thousand Pesos (P 50,000).

In the case of married individuals where only one of the spouses is deriving gross income, only such spouse shall be allowed the personal exemption.

An individual, whether single or married, shall be allowed an additional exemption of P 25,000 for each qualified dependent child, not exceeding four (4). The additional exemption for dependents shall be claimed by the husband, who is deemed the proper claimant unless he explicitly waives his right in favor of his wife.

"Dependent Child" means a legitimate, illegitimate or legally adopted child chiefly dependent upon and living with the taxpayer if such dependent is not more than twenty-one (21) years of age, unmarried and not gainfully employed or if such dependent, regardless of age, is incapable of self-support because of mental or physical defect.

In the case of legally separated spouses, additional exemptions may be claimed only by the spouse who has custody of the child or children: *Provided*, That the total amount of additional exemptions that may be claimed by both shall not exceed the maximum additional exemptions allowed by the Tax Code.

### Part IV – Items 53 to 68

The filling-up of these fields is optional. The figures placed therein should be properly documented and/or substantiated.

### Change of Status

If the taxpayer marries or should have additional dependent(s) during the taxable year, the taxpayer may claim the corresponding personal or additional exemption, as the case may be, in full for such year.

If the taxpayer dies during the taxable year, his estate may still claim the personal and additional exemptions for himself and his dependent(s) as if he died at the close of such year.

If the spouse or any of the dependents dies or if any of such dependents marries, becomes twenty-one (21) years old or becomes gainfully employed during the taxable year, the taxpayer may still claim the same exemptions as if the spouse or any of the dependents died, or as if such dependents married, became twenty-one (21) years old or became employed at the close of such year.

### Penalties

There shall be imposed and collected as part of the tax:

1. A surcharge of twenty five percent (25%) for each of the following violations:
  - a) Failure to file any return and pay the amount of tax or installment due on or before the due date;
  - b) 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;
  - c) 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;
  - d) Failure to pay the deficiency tax within the time prescribed for its payment in the notice of assessment.
2. A surcharge of fifty percent (50%) of the tax or of the deficiency tax shall be imposed in case of willful neglect to file the return within the period prescribed by the Tax Code and/or by rules and regulations or in case a false or fraudulent return is filed.
3. 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.
4. Compromise penalty, pursuant to existing/applicable revenue issuances.

### Excess Withholding Tax

Over withholding of income tax on compensation shall be refunded by the employer, except if the over withholding is due to the employee's failure or refusal to file the withholding exemption certificate, or supplies false or inaccurate information, the excess shall not be refunded but shall be forfeited in favor of the government.

### Attachments Required

1. Certificate of Income Tax Withheld on Compensation (BIR Form No. 2316).
2. Waiver of the husband's right to claim additional exemption, if applicable.
3. Duly approved Tax Debit Memo, if applicable.
4. Proof of Foreign Tax Credits, if applicable.
5. For amended return, proof of tax payment and the return previously filed.
6. Proof of other tax payment/credit, if applicable.
7. Authorization letter, if filed by authorized representative,

### Note: All Background Information must be properly filled up.

- All returns filed by an accredited tax agent on behalf of a taxpayer shall bear the following information:
  - A. For CPAs and others (individual practitioners and members of GPPs);
    - a.1 Taxpayer Identification Number (TIN); and
    - a.2 Certificate of Accreditation Number, Date of Issuance, and Date of Expiry.
  - B. For members of the Philippine Bar (individual practitioners, members of GPPs);
    - b.1 Taxpayer Identification Number (TIN); and
    - b.2 Attorney's Roll number or Accreditation Number, if any.

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