For BIR Use Only | BCS/ Item:

Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

BIR Form No.
1603Q
January 2018 (ENCS)
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Quarterly Remittance Return
of Final Income Taxes Withheld on Fringe Benefits Paid to Employees Other Than Rank and File

Enter all required information in CAPITAL LETTERS using BLACK ink. Mark all applicable boxes with an "X". Two copies MUST be filed with the BIR and one held by the Taxpayer.

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1 For the Year	**2** Quarter	**3** Amended Return?	**4** Any Taxes Withheld?	**5** No. of Sheet/s Attached
	☐ 1st ☐ 2nd ☐ 3rd ☐ 4th	☐ Yes ☐ No	☐ Yes ☐ No	

Part I – Background Information

6 Taxpayer Identification Number (TIN) / / / **7** RDO Code

8 Withholding Agent's Name *(Last Name, First Name, Middle Name for Individual OR Registered Name for Non-Individual)*

9 Registered Address *(Indicate complete address. If branch, indicate the branch address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905)*

9A ZIP Code

10 Contact Number | **11** Category of Withholding Agent ☐ Private ☐ Government

12 Email Address

13 Are there payees availing of tax relief under Special Law or International Tax Treaty? ☐ Yes ☐ No | **13A** If yes, specify

Part II – Computation of Tax

14 Total Taxes Withheld *(from Part IV - Schedule 1)*	.00
15 Less: Tax Remitted in Return Previously Filed, if this is an amended return	.00
16 Other Remittances Made *(specify)* _____	.00
17 Total Remittances Made *(Sum of Items 15 and 16)*	.00
18 Tax Still Due/(Over-remittance) *(Item 14 Less Item 17)*	.00
Add: Penalties **19** Surcharge	.00
20 Interest	.00
21 Compromise	.00
22 Total Penalties *(Sum of Items 19 to 21)*	.00
23 TOTAL AMOUNT STILL DUE *(Sum of Items 18 and 22)*	.00

I/We declare under the penalties of perjury that this remittance return, and all its attachments, have been made in good faith, verified by me/us, and to the best of my/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. Further, I give my consent to the processing of my information as contemplated under the Data Privacy Act of 2012 (R.A. No. 10173) for legitimate and lawful purposes. *(If Authorized Representative, attach authorization letter)*

For Individual:	For Non-Individual:
Signature over Printed Name of Taxpayer/Authorized Representative/Tax Agent *(Indicate Title/Designation and TIN)*	Signature over Printed Name of President/Vice President/ Authorized Officer or Representative/Tax Agent *(Indicate Title/Designation and TIN)*

Tax Agent Accreditation No./ Attorney's Roll No. *(if applicable)* | Date of Issue *(MM/DD/YYYY)* | Date of Expiry *(MM/DD/YYYY)*

Part III – Details of Payment

Particulars	Drawee Bank/Agency	Number	Date *(MM/DD/YYYY)*	Amount
24 Cash/Bank Debit Memo				.00
25 Check				.00
26 Tax Debit Memo				.00
27 Others *(specify below)*				.00

Machine Validation/Revenue Official Receipt Details *(if not filed with an Authorized Agent Bank)*

Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)

***NOTE**: Please read the BIR Data Privacy Policy found in the BIR website (www.bir.gov.ph)

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Quarterly Remittance Return
of Final Income Taxes Withheld on Fringe Benefits Paid to Employees Other Than Rank and File

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TIN	Withholding Agent's Name *(Last Name for Individual OR Registered Name for Non-Individual)*

Part IV – Details of Taxes Withheld

Schedule 1 – Computation of Tax

	Recipients (A)	ATC (B)	Monetary Value of Fringe Benefit (C)
1	In General, for Citizen, Resident Alien and Non-Resident Alien Engaged in Trade or Business Within the Philippines	WF360	
2	Non-Resident Alien Not Engaged in Trade or Business Within the Philippines	WF330	

Schedule 1 (*continuation*)

	Percentage Divisor (D)	Tax Base Grossed-up Monetary Value (E)	Tax Rate (F)	Taxes Withheld (G) = (E x F)
1	65%		35%	
2	75%		25%	
3	Total Taxes Withheld *(Sum of Items 1 and 2) (To Part II, Item 14)*			

Guidelines and Instructions for BIR Form No. 1603Q [January 2018 (ENCS)]
Quarterly Remittance Return of Final Income Taxes Withheld on Fringe Benefits Paid to Employees Other Than Rank and File

Who Shall File

This quarterly withholding tax remittance return shall be filed in triplicate by every withholding agent (WA)/payor required to deduct and withhold taxes on fringe benefits furnished or granted to employees other than rank and file employees subject to Final Withholding Taxes.

If the person required to withhold and pay/remit the tax is a corporation, the return shall be made in the name of the corporation and shall be signed and verified by the president, vice-president, or any authorized officer.

If the Government of the Philippines or any of its agencies, political subdivisions or instrumentalities, or a government-owned or controlled corporation, is the withholding agent/payor, the return shall be accomplished and signed by the officer or employee having control of disbursement of income payments or other officer or employee appropriately designated for the purpose.

With respect to a fiduciary, the return shall be made in the name of the individual, estate or trust for which such fiduciary acts and shall be signed and verified by such fiduciary. In case of two or more joint fiduciaries, the return shall be signed and verified by one of such fiduciaries.

Authorized Representative and Accredited Tax Agent filing, in behalf of the taxpayer, shall also use this return to pay/remit the final taxes withheld.

When and Where to File and Pay/Remit

The quarterly withholding tax remittance return shall be filed and the tax paid/remitted not later than the last day of the month following the close of the quarter during which withholding was made.

Provided, however, that with respect to non-large and large taxpayers who shall file through the Electronic Filing and Payment System (eFPS), the deadline for electronically filing the return and paying/remitting the taxes due thereon shall be in accordance with the provisions of existing applicable revenue issuances.

The return shall be filed and the tax paid/remitted with the Authorized Agent Bank (AAB) of the Revenue District Office (RDO) having jurisdiction over the withholding agent's place of business/office. In places where there are no Authorized Agent Banks, the return shall be filed and the tax paid/remitted with the Revenue Collection Officer (RCO) of the RDO having jurisdiction over the WA's place of business/office, who will issue an Electronic Revenue Official Receipt (eROR) therefor.

When the return is filed with an AAB, taxpayer must accomplish and submit BIR-prescribed deposit slip, which the bank teller shall machine validate as evidence that payment/remittance was received by the AAB. The AAB receiving the tax return shall stamp mark the word "Received" on the return and also machine validate the return as proof of filing and payment/remittance of the tax by the taxpayer. The machine validation shall reflect the date of payment/remittance, amount paid/remitted and transactions code, the name of the bank, branch code, teller's code and teller's initial. Bank debit memo number and date should be indicated in the return for taxpayers paying/remitting under the bank debit system.

Payment/Remittance may also be made thru the epayment channels of AABs thru either their online facility, credit/debit/prepaid cards, and mobile payments.

A taxpayer may file a separate return for the head office and for each branch or place of business/office or a consolidated return for the head office and all the branches/offices. In the case of large taxpayers only one consolidated return is required.

Fringe Benefit Defined

Fringe Benefit means any good, service or other benefit furnished or granted by an employer in cash or in kind, in addition to basic salaries to employees (except rank and file employees) such as, but not limited to the following:

1. Housing;
2. Expense Account;
3. Vehicle of any kind;
4. Household personnel, such as maid, driver and others;
5. Interest on loan at less than market rate to the extent of the difference between the market rate and actual rate granted;
6. Expenses for foreign travel;
7. Holiday and vacation expenses;
8. Membership fees, dues and others expense borne by the employer for the employees in social and athletic clubs or other similar organizations;
9. Educational assistance to the employee or his dependents; and
10. Life or health insurance and other non-life insurance premiums or similar amounts in excess of what the law allows.

ATC and Tax Rate

The fringe benefit tax shall be imposed at the following rates:

ATC	Recipient	Tax Rate
WF360	In General, for Citizen, Resident Alien and Non-Resident Alien Engaged in Trade or Business Within the Philippines	35%
WF330	Non-Resident Alien Not Engaged in Trade or Business Within the Phils.	25%

Computation of Tax

The final withholding tax on fringe benefit shall be computed based on the taxable grossed-up monetary value multiplied by the applicable tax rate. The grossed-up monetary value of the fringe benefit shall be determined by dividing the monetary value of the fringe benefit as provided in Revenue Regulations No. 3-98, as amended, by the percentage divisor in accordance with the following schedule:

Recipient	Tax Rate
In General, for Citizen, Resident Alien and Non-Resident Alien Engaged in Trade or Business Within the Philippines	65%
Non-Resident Alien Not Engaged in Trade or Business Within the Philippines	75%

Penalties

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

1. A surcharge of twenty-five percent (25%) for the following violations:
   a. Failure to file any return and pay/remit the amount of tax or installment due on or before the due date;
   b. Filing a return with a person or office other than those with whom it is required to be filed, unless otherwise authorized by the Commissioner;
   c. Failure to pay/remit 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/remit the deficiency tax within the time prescribed for its payment/remittance in the notice of assessment.
2. A surcharge of fifty percent (50%) of the tax or of the deficiency tax, in case any payment/remittance has been made before the discovery of the falsity or fraud, for each of the following violations:
   a. Willful neglect to file the return within the period prescribed by the Code or by rules and regulations; or
   b. A false or fraudulent return is willfully made.
3. Interest at the rate of double the legal interest rate for loans or forbearance of any money in the absence of an express stipulation as set by the Bangko Sentral ng Pilipinas from the date prescribed for payment/remittance until the amount is fully paid/remitted: Provided, That in no case shall the deficiency and the delinquency interest prescribed under Section 249 Subsections (B) and (C) of the National Internal Revenue Code, as amended, be imposed simultaneously.
4. Compromise penalty as provided under applicable rules and regulations.

Violation of Withholding Tax Provisions

Any person required to withhold, account for, and pay/remit any tax imposed by the National Internal Revenue Code (NIRC), as amended, or who willfully fails to withhold such tax, or account for and pay/remit such tax, or aids or abets in any manner to evade any such tax or the payment/remittance thereof, shall, in addition to other penalties provided for under the Law, be liable upon conviction to a penalty equal to the total amount of the tax not withheld, or not accounted for and paid/remitted.

Any person required under the NIRC, as amended, or by rules and regulations promulgated thereunder to pay/remit any tax, make a return, keep any record, or supply correct and accurate information, who willfully fails to pay/remit such tax, make such return, keep such record, or supply such correct and accurate information, or withhold or pay/remit taxes withheld, or refund excess taxes withheld on compensation, at the time or times required by law or rules and regulations shall, in addition to the other penalties provided by law, upon conviction thereof, be punished by a fine of not less than ten thousand pesos (₱ 10,000.00) and suffer imprisonment of not less than one (1) year but not more than ten (10) years.

Every officer or employee of the Government of the Republic of the Philippines or any of its agencies and instrumentalities, its political subdivisions, as well as government-owned or controlled corporations, including the Bangko Sentral ng Pilipinas, who, under the provisions of the NIRC, as amended, or regulations promulgated thereunder, is charged with the duty to deduct and withhold any internal revenue tax and to pay/remit the same in accordance with the provisions of the NIRC, as amended, and other laws and who is found guilty of any offense herein below specified shall, upon conviction of each act or omission, be fined in a sum not less than five thousand pesos (₱ 5,000) but not more than fifty thousand pesos (₱ 50,000) or imprisoned for a term of not less than six (6) months and one day but not more than two (2) years, or both:

a. Those who fail or cause the failure to deduct and withhold any internal revenue tax under any of the withholding tax laws and implementing regulations;
b. Those who fail or cause the failure to pay/remit taxes deducted and withheld within the time prescribed by law, and implementing regulations; and
c. Those who fail or cause the failure to file a return or statement within the time prescribed, or render or furnish a false or fraudulent return or statement required under the withholding tax laws and regulations.

If the withholding agent is the Government or any of its agencies, political subdivisions or instrumentalities, or a government-owned or controlled corporation, the employee thereof responsible for the withholding and payment/remittance of tax shall be personally liable for the additions to the tax prescribed by the NIRC, as amended.

Note: All background information must be properly filled out.

- The last 5 digits of the 14-digit TIN refers to the branch code
- All returns filed by an accredited tax agent on behalf of a taxpayer shall bear the following information:
  A. For Individual (CPAs, members of GPPs, and others)
     a.1 Taxpayer Identification Number (TIN); and
     a.2 BIR Accreditation Number, Date of Issue, and Date of Expiry.
  B. For members of the Philippine Bar (Lawyers)
     b.1 Taxpayer Identification Number (TIN);
     b.2 Attorney's Roll Number;
     b.3 Mandatory Continuing Legal Education (MCLE) Compliance Number; and
     b.4 BIR Accreditation Number, Date of Issue, and Date of Expiry