

MEMORANDUM CIRCULAR  
NUMBER 2004-038

Subject: SUBMISSION OF INCOME TAX RETURNS

It is the policy of the State to promote sustainable economic growth through the rationalization of the Philippine internal revenue tax system including tax administration, as declared in Republic Act No. 8424.

Section 51 (A) (1) (a and b) of the National Internal Revenue Code of the Philippines provides that every Filipino citizen, residing in or outside the Philippines, is required to file an income tax return on his income derived from sources within and without the Philippines. Section 51 (A) (2) (a) of the same Code also provides that an individual whose gross income does not exceed his total personal and additional exemptions for dependents shall not be required to file an income tax return: *Provided*, that a **citizen of the Philippines and any alien engaged in business or practice of profession within the Philippines shall file an income tax return, regardless of the amount of gross income** (emphasis supplied). The return of any individual shall be filed on or before April 15 of each year covering the income for preceding taxable year.

For corporations, it is provided in Section 52 (A) and Section 77 (B) of the same Code that every domestic corporation shall file, in duplicate, a true and accurate quarterly income tax return within sixty (60) days following the close of each of the first three (3) quarters of the taxable year, and final or adjustment return on or before April 15, or on or before the fifteenth (15<sup>th</sup>) day of the fourth (4<sup>th</sup>) month following the close of the fiscal year, as the case may be.

In view of the above-cited provisions and pursuant to the policy of the Board to coordinate and cooperate with other government agencies in realizing the programs of the government, the Board hereby requires all operators to submit their Income Tax Returns (ITR) duly received by the Bureau of Internal Revenue (BIR) on or before the last day of March of each year. Failure to submit the ITR on time shall subject the operator to a penalty in the amount of One Thousand Pesos (Php 1,000.00) per year. If the operator pays the penalty but does not submit the required ITR, his unit/s shall not be confirmed for purposes of registration until and unless he files the required ITR.



Republic of the Philippines  
Department of Transportation & Communications  
**LAND TRANSPORTATION FRANCHISING & REGULATORY BOARD**

All other issuances or parts hereof, which are inconsistent herewith, are therefore modified or superseded accordingly.

This Circular shall take effect fifteen (15) days following the filing of three (3) copies hereof with the UP Law Center, pursuant to Presidential Memorandum Circular No. 11, dated 09 October 1992.

**SO ORDERED.**

Quezon City, Philippines.

**SEP 30 2004**

EFFECTIVITY DATE **OCT 16 2004**

*Maria Elena H. Bautista*  
MARIA ELENA H. BAUTISTA  
Chairperson

*Felix S. Racadio*  
FELIX S. RACADIO  
Board Member

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