



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

May 30, 2019

REVENUE MEMORANDUM ORDER NO. 28-2019

SUBJECT : Prescribing Policies and Guidelines on the Registration Requirements of Foreign Nationals

TO : All Internal Revenue Officials, Employees and Others Concerned.

This Order is being issued to prescribe the registration requirements of foreign individuals not engaged and/or engaged in trade or business or gainful employment in the Philippines.

A. BACKGROUND

The Department of Labor and Employment (DOLE), Department of Justice (DOJ), Bureau of Immigration (BI) and Bureau of Internal Revenue (BIR) signed a Joint Guidelines on the issuance of work and employment permits to foreign nationals. The Joint Guidelines clarified and harmonized existing regulations on the issuance of appropriate permits to all foreign nationals who intend to work, perform specific activities, and/or render services in the Philippines, whether in the context of an employment arrangement or otherwise.

Under the new guidelines, foreign nationals who will engage in work outside of an employment arrangement are required to secure a Special Working Permit (SWP) with the Bureau of Immigration (BI), provided that performance of work or service which constitutes practice of a regulated profession are required to secure a Special Temporary Permit (STP) with Professional Regulatory Commission (PRC). An SWP allows foreign national to work under a Tourist Visa (9A), provided that the validity of the contract is for only up to three months which may be extended for another three months.

Foreign nationals intending to engage in gainful employment shall apply for an Alien Employment Permit (AEP) with the DOLE. Pending issuance of their AEP or with valid AEP but pending approval of Commonwealth Act (CA) 613, Sec. 9(g) work visa, foreign nationals shall secure a Provisional Work Permit (PWP) with the BI.

An AEP authorizes a foreign national to engage in gainful employment in the Philippines, though not an exclusive authority for a foreign national to work in the Philippines, it is one of the requirements in the issuance of work visa (9g) to legally engage in gainful employment in the country. Foreign nationals exempted from securing AEP are required to secure a Certificate of Exclusions with DOLE.

Other agencies that issue working permit to foreign workers, include the Department of Environment and Natural Resources (DENR) for geoscience and mining industry; the DOJ for nationalized or partially nationalized industries.



B. DEFINITION OF TERMS

1. **Alien Employment Permit or AEP** – refers to a permit issued by the DOLE to foreign nationals pursuant to an employment arrangement with a Philippine-based company, after determination of the non-availability of a person in the Philippines who is competent, able, and willing at the time of application, to perform the services for which the foreign national is desired.
2. **Provisional Work Permit or PWP** – refers to a permit to work issued by the BI which allows foreign nationals to engage in work pursuant to an employment arrangement pending issuance of their AEP or with valid AEP but pending approval of CA 613, Sec. (9g) work visa.
3. **Special Temporary Permit or STP** – refers to a permit issued by the Professional Regulation Commission to a foreign professional to practice in the Philippines for a limited period of time, subject to the limitations and conditions provided for by law.
4. **Special Work Permit or SWP** – refers to permit to work issued by the BI that allows foreign national to engage in work outside of an employment arrangement.

C. REGISTRATION

Foreign nationals who are planning to work, engage in trade or business in the Philippines, are required to secure their Taxpayer Identification Number (TIN) following existing related revenue issuances.

Nonresident aliens not engage in trade or business shall be issued a TIN for withholding taxes on their income from sources within the Philippines. The withholding agent shall apply for the TIN in behalf of the Nonresident aliens not engaged in trade or business, under Executive Order No. 98 (E.O. 98) to the following Revenue District Offices (RDOs) prior to or at the time of the filing of their monthly withholding tax return.

Purpose of TIN application	Place of Registration	TIN	Documentary requirements
PWP/AEP	<p>RDO having jurisdiction over the physical address of the employer.</p> <p>Reminders:</p> <p>No alien individuals shall be registered with LTAD/ELTRD/ LTD-Cebu/LTD-Davao. LT-employer shall go to the RDO having jurisdiction over the physical address of the LT-employer.</p> <p>The employer or withholding agent shall secure the TIN of these alien individuals manually from the RDO and will not use the eREG System.</p>	E.O. 98	<ol style="list-style-type: none">1. BIR Form No. 1904;2. Photocopy of Passport;3. Employment contract or equivalent document indicating duration of employment, compensation and other benefits, and scope of duties.



Purpose of TIN application	Place of Registration	TIN	Documentary requirements
SWP**	RDO No. 39 – South Quezon City	E.O. 98	1. BIR Form No. 1904; 2. Photocopy of Passport;
STP**	RDO No. 39 – South Quezon City	E.O. 98	1. BIR Form No. 1904; 2. Photocopy of Passport;
Other purposes**	RDO No. 39 – South Quezon City	E.O. 98	1. BIR Form No. 1904; 2. Photocopy of Passport;

Additional requirement, if applicable:

- Authorization letter indicating the name of the withholding agent and authorized representative and photocopy of government ID of the authorized person, in case of authorized representative.

**Foreign nationals who intend to work, engage in specific activities, or render services outside of an employment arrangement as enumerated below, shall secure their TINs with RDO No. 39 – Quezon City:

- a. Professional athletes, coaches, trainers and assistants;
- b. International performers with excellent abilities;
- c. Artists, performers and their staff, who perform before an audience for a fee, subject to compliance with the requirements of concerned agency, office or body;
- d. Service suppliers coming primarily to perform temporary services and who do not receive salary or other remuneration from a Philippine source other than expenses incidental to their temporary stay;
- e. Treasure hunters authorized to search for hidden treasure with permit from the concerned government agencies and instrumentalities;
- f. Movie and television crews authorized to film in the country by the relevant regulatory office, body or agency;
- g. Foreign journalists practicing their profession or covering a specific event in the country;
- h. Trainee/s assigned in government institutions, government owned and controlled corporations (GOCC), and private entities;
- i. Lecturers, researchers, trainers and others pursuing academic work, who are assigned in schools, universities, educational and research institutions, government agencies and other entities (with or without compensation);
- j. Religious missionaries and preachers;
- k. Commercial models and talents;
- l. Culinary specialists/Chef;
- m. Professionals; and
- n. Consultants or specialists.



Foreign National with Working Visa (9g)

Foreign nationals who had been issued or holder of AEP or working visa (9g) upon arrival shall be registered by their employer to the RDO having jurisdiction over the physical address of the said employer under the taxpayer type category of Employee.

Foreign nationals who intends to work or engage in trade or business and had been issued a working visa (9g) upon arrival shall be registered to the RDO having jurisdiction over the place of business; or to the RDO having jurisdiction over the place of local residence in the case of practice of regulated profession, under the applicable taxpayer type.

Registration Update

Employers of foreign nationals with PWP who had been registered under E.O. 98 and later on had been issued an AEP or working visa (9g), with proper authorization, shall update its registration information from E.O. 98 to Employee with the RDO where they had been registered. In case of termination of employment, foreign nationals registered as Employee shall update its registration with the BIR.

Foreign nationals with SWP who had been registered under E.O. 98 and later on had been issued a working visa (9g) shall apply for transfer of its registration information from RDO No. 39 where they had been initially registered to the new RDO having jurisdiction over the place of business if engage in trade or business, or local residence in the case of practice of regulated profession. They shall update their registration and apply for business registration, if applicable.

D. TAX TREATY

Registered foreign nationals can avail of preferential tax rates under effective Philippine tax treaties. Currently, the Philippines has forty-three (43) effective tax treaties posted in the BIR website. Foreign nationals in the Philippines who are resident of countries with which the Philippines have effective tax treaties may opt to file a Tax Treaty Relief Application with the International Tax Affairs Division (ITAD) following the requirements set forth under Revenue Memorandum Order (RMO) No. 72-2010 to avail of the benefits under the tax treaty. However, the tax liability of foreign nationals engaged in trade or business or are gainfully employed in the Philippines will depend on the provisions of the applicable tax treaty. Moreover, the entitlement to tax treaty relief is on a case-to-case basis depending on facts as represented by the foreign national applicant.

E. EFFECTIVITY

This Order shall take effect immediately.



Caesar Dulay
CAESAR R. DULAY
Commissioner of Internal Revenue

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