

IMPLEMENTATION OF BUREAU OF INTERNAL REVENUE MEMORANDUM CIRCULAR NO. 21-2005

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/c6deed117a91/>

Pursuant to Bureau of Internal Revenue Memorandum Circular No. 21-2005, all PhilHealth reimbursements for professional fees payable to the "Chief of Hospital" for pooling and distribution among health personnel in a government hospital shall no longer be subject to 10% expanded withholding tax. Instead, the Corporation through its Regional Offices shall issue a Certificate of Income Payment not Subject to Withholding Tax (BIR Form No. 2304) to be included in the submission of the Annual Information Return to BIR.

The accredited government hospital, on the other hand, "upon distribution of their share from PhilHealth to their medical and non-medical personnel shall be responsible for the withholding of tax on compensation, the issuance of Employer's Certificate of Compensation Payment/Tax Withheld (BIR Form No. 2316) and the submission of Annual Information Return. Such share from PhilHealth shall form part of compensation income for the taxable year subject to appropriate withholding tax rate."

This shall be applied to payments of professional fees of salaried physicians payable to "Chief of Hospital" for claims received by the Corporation effective August 1, 2005.

Please be guided accordingly.

Adopted: 14 July 2005

(SGD.) LORNA O. FAJARDO, CESO III
Officer-in-Charge
President and Chief Executive Officer

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.