

SUBMISSION OF ANNUAL INCOME TAX RETURN FOR PUV OPERATIONS IN LIEU OF ANNUAL REPORTS TO THE BOARD OR ITS REGIONAL OFFICES BY INDIVIDUAL OPERATORS WITH TOTAL COMBINED AUTHORIZED U...

MEMORANDUM CIRCULAR NO. 2018-002, January 10, 2018

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/f7e17eca2253/>

Adopted: 09 January 2018

Date Filed: 10 January 2018

WHEREAS, Section 17(h) of Commonwealth Act No. 146 or the Public Service Law provides:

“Section 17. Proceedings of Commission without previous hearing. - The Commission shall have power without previous hearing, subject to established limitations and exception and saving provisions to the contrary:

x x x

(h) To require any public service to furnish annual reports of finances and operations. Such reports shall set forth in detail the capital stock issued, the amounts of said capital stock paid up and the form of payment thereof; the dividends paid, the surplus, if any and the number of stockholders, the consolidated and pending obligations and the interest paid thereon; the cost and value of the property of the operator; concessions or franchises and equipment; the number of employees and salaries paid to each class; the accidents to passengers, employees, and other person, and the causes thereof; the annual expenditures on improvements; the manner of their investment and nature of such improvements; the receipts and profits in each of the branches of the business and of whatever source; the operating and other expenses; the balance of profits and losses; and a complete statement of the annual financial operations of the operator, including an annual balance sheet. Such reports shall also contain any information which the Commission may require concerning freight and passenger rates, or agreements, compromises or contracts affecting the same. Said reports shall cover a period of twelve months, ending on December thirty-first of each year, and shall be sworn to by the officer or functionary of the public service authorized therefor. The Commission shall also have power to require from time to time special reports constraining such information as above provided for or on other matters as the Commission may deem necessary or advisable.”

WHEREAS, on 22 May 1992, the Board issued Memorandum Circular No. 92-003 (Re: Penalty on Non-Submission of Annual Reports) increasing the penalty for non-submission of Annual Reports to ensure compliance on filing of Annual Reports.

WHEREAS, The Board issued Memorandum Circular No. 2004-031 (Re: Filing of Annual Report) to reiterate the requirement of filing of the Annual Report in the prescribed form to the Board or its Regional Offices on or before the first day of March of every year. Failure of the grantees to file the required Annual Report shall subject the grantees to a penalty in the amount of Five Hundred Pesos (P500.00) in consonance to DOTC Department Order 2001-82 (LTFRB's Revised Fees and Charges), dated 31 August 2001. If the grantee pays the penalty but does not file the required Annual Report, his unit/s shall not be confirmed for purposes of registration until and unless

he files the required Annual Report.

WHEREAS, The Board issued Memorandum Circular No. 2006-015 (Re: Amendment on MC 2004-031) wherein the Board amended the second paragraph of Memorandum Circular 2004-031 to conform with the date of filing on Income Tax Return as provided in the National Internal Revenue Code and moved the date of filing of Annual Reports from on or before the first day of March of every year to on or before 15th of April of every year

WHEREAS, The Board issued Memorandum Circular No. 2011-004 (Re: Revised Terms and Conditions of Certificate of Public Convenience and Providing Penalties for Violations Thereof) No. 34 or which provides:

“34. The PUV operator shall submit to the Board on or Before May 15th of every year an Annual Report in the form prescribed by the Board. The PUV operator shall also submit with the Annual report a certification from the Social Security System that all contributions for employees have been paid.

- PUV operators engaged in one or more than one class/denomination of public service shall file a separate Annual Report for each.”

WHEREAS, The Board issued Memorandum Circular No. 2014-005 (Re: Submission of Audited Financial Statement Pursuant to Section 17 (h) of the Public Service Law) which required grantees of CPCs to submit certified true copies of their Audited Annual Financial Statements of the preceding year as the form prescribed by the Board for the purpose of filing their Annual Report subject to the guidelines stated in the said Memorandum.

WHEREAS, After extensive review and deliberation on the requirement of filing Annual Reports and taking into account the prevailing economic conditions, the Board have determined that there are other more efficient and verifiable means to prove the grantees' financial capability other than requiring the filing of Annual Reports with the Board or its Regional Offices.

NOW THEREFORE, The Board hereby amends Memorandum Circular Nos. 92-003, 2004-031, 2006-015, 2011-004 and 2014-005 and effective 01 January 2018, the Board shall adopt the following regulations:

- All individual operators who are grantees of CPCs whose total combined authorized units is nine (9) or less shall submit their Annual Income Tax Return for PUV Operations instead of Annual Report.
- All individual operators whose total combined authorized units of at least Ten (10) units shall continue to submit certified true copies of their Audited Annual Financial Statements duly certified by the Bureau of Internal Revenue and/or Authorized Agent Banks.
- Juridical entities such as Corporation or Cooperatives which are grantees of CPC shall continue to submit certified true copies of their Audited Annual Financial Statements duly certified by the Securities and Exchange Commission (SEC) or Cooperative Development Authority (CDA), as the case may be.
- Grantees of CPC who have not filed their Annual Reports prior to the effectivity of this Memorandum Circular shall be imposed with penalties to be computed until 31 August 2017 based on Memorandum Circular 2014-005.
- Grantees of CPC shall submit their Annual Income Tax Return or Audited Annual Financial Statements, as the case may be, on or before July 31 of the succeeding year and on or before 31st of July of every year.

Failure to submit the Certified True Copy of Audited Annual Financial Statements or Annual Income Tax within the period mentioned above shall be meted a penalty of Php1000.00 per year of delay.

All other issuances or parts thereof inconsistent herewith are hereby modified, amended or superseded accordingly.

This Memorandum Circular shall take effect immediately following its publication in a newspaper of general circulation and 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, 09 January 2018.

(SGD) ATTY. MARTIN B. DELGRA, III
Chairman

(SGD) ENGR. RONALDO F. CORPUS
Board Member

(SGD) ATTY. AILEEN LOURDES A. LIZADA
Board Member

Attested by:

(SGD) ATTY. CARL SHA JEMIMAH F. MARBELLA
Officer-in-Charge
Office of the Executive Director

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.