



1.16 March 9, 2018

**CLARIFICATORY LETTER RE: MOOE DOWNLOADING AND LIQUIDATION**

**To: Public School District Supervisors  
Elementary School Heads  
Secondary Non-Implementing Units School Heads  
Senior High School Heads  
District Bookkeepers  
All others concerned**

As per Memorandum issued dated January 25, 2018 regarding the MOOE downloading and liquidation under Letter F - Other Reminders for MOOE, item no. 7, this is to clarify the following:

We are to deduct withholding taxes on all purchases of goods and including repair materials but we will NOT remit the tax to the bank (BIR) instead you will submit the BIR form 2306 and 2307 to the Division Office for Tax Remittance Advice with the following tax rate:

|                    |    |   |    |   |    |
|--------------------|----|---|----|---|----|
| VAT Registered     | 5% | + | 1% | = | 6% |
| Non VAT Registered | 3% | + | 1% | = | 4% |

In addition, sales invoice should be on a GROSS amount and official receipt should be NET of tax.

Example computation:

|                  | <b>VAT Registered</b> | <b>Non VAT Registered</b> |
|------------------|-----------------------|---------------------------|
| Sales Invoice    | Php 30,000.00         | Php 30,000.00             |
| Tax deduction    | 1,607.14              | 1,200.00                  |
| Official Receipt | Php 28,392.83         | Php 28,800.00             |

  
**ROMEO M. ALIP, Ph. D., CESO V**  
Schools Division Superintendent

**DIVISION LETTER**

No. 045, s. 2018