



**Board Resolution No. 52
Series of 2019**

AUTHORIZING MANAGEMENT TO STUDY APPLICATION OF CORPORATE CREDIT CARD

Upon motion, duly seconded, the Board of Trustees, in a meeting held on September 27, 2019, where a quorum is present, adopted the following resolution:

WHEREAS, the Bureau of Internal Revenue issued Revenue Regulation (RR) No. 7-2019 which amends pertinent provisions of Section 2 under RR No. 11-2018 specifically on the requirements for top withholding agents;

WHEREAS, the Bureau mandates income payments of top withholding agents to their local or resident supplier of goods and services to be subjected to withholding tax rates specified in the new regulation;

WHEREAS, top withholding agents refer to, as amended, those taxpayers whose gross sales/receipts or gross purchases or claimed deductible itemized expenses, as the case maybe, amounted to twelve million (Php12,000,000.00) pesos which may qualify KMBA to be subjected to the new regulation;

WHEREAS, KMBA management commits to comply with the regulating Bureau but at the same time shared the challenge in the pursuit of complying it particularly in the documentary requirements and payment monitoring considering the volume and the recurring process of purchasing goods and services as part of its operations;

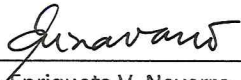
WHEREAS, in a seminar attended by Finance Manager Evelyn Lagmay held by the Bureau, the latter introduced the use of Corporate Credit Card to automate the withholding process that may eliminate the burden of monitoring payments and other requirements the regulation is mandating;

WHEREAS, the management expressed its limited knowledge on the matter but is willing to diligently study the pros and cons in applying with a corporate credit card and review its use in addressing the challenge in complying with the new regulation;


WHEREAS, this Board found this means as a helpful tool and considered the management's intention to pursue the study sound and reasonable;

NOW THEREFORE, the foregoing premises considered, the Board of Trustees **RESOLVED** to authorize KMBA management to study qualifications and requirements in the application of corporate credit cards in banking institutions and its use in complying with the requirements to the Bureau of Internal Revenue.

Adopted this 27th of September, 2019 in Quezon City, Philippines by the affirmative vote of the undersigned members representing a majority of the trustees of KMBA, Inc.



Enriqueta V. Navarro
President



Alma D. Gilbaliga
Vice-President



Lilibeth C. Molina

Lilibeth C. Molina
Treasurer

Rita T. dela Cruz

Rita T. dela Cruz
Member

Atty. Maria Gettie Cleofe C. Sandoval

Atty. Maria Gettie Cleofe C. Sandoval
Independent Member

Jenifer L. Abao

Jenifer L. Abao
Member

Teresita D. Padel

Teresita D. Padel
Member

Philip Arnold P. Tuaño

Philip Arnold P. Tuaño
Independent Member

Attested by:

Brenda F. Lumbao

Brenda F. Lumbao
Board Secretary