



## How to Record Withholding Tax in Transactions

### Overview:

Recording withholding tax in QNE is easy. The system has predefined Withholding Codes in line with the BIR Alphanumeric Tax Codes (ATC) and their corresponding Rates. To withhold tax in the transaction, simply select the appropriate WTax Code and the system automatically computes the WTax amount.

### Procedure:

#### Step 1: Enable the particular WTax Code(s) in the Withholding Tax Codes Maintenance

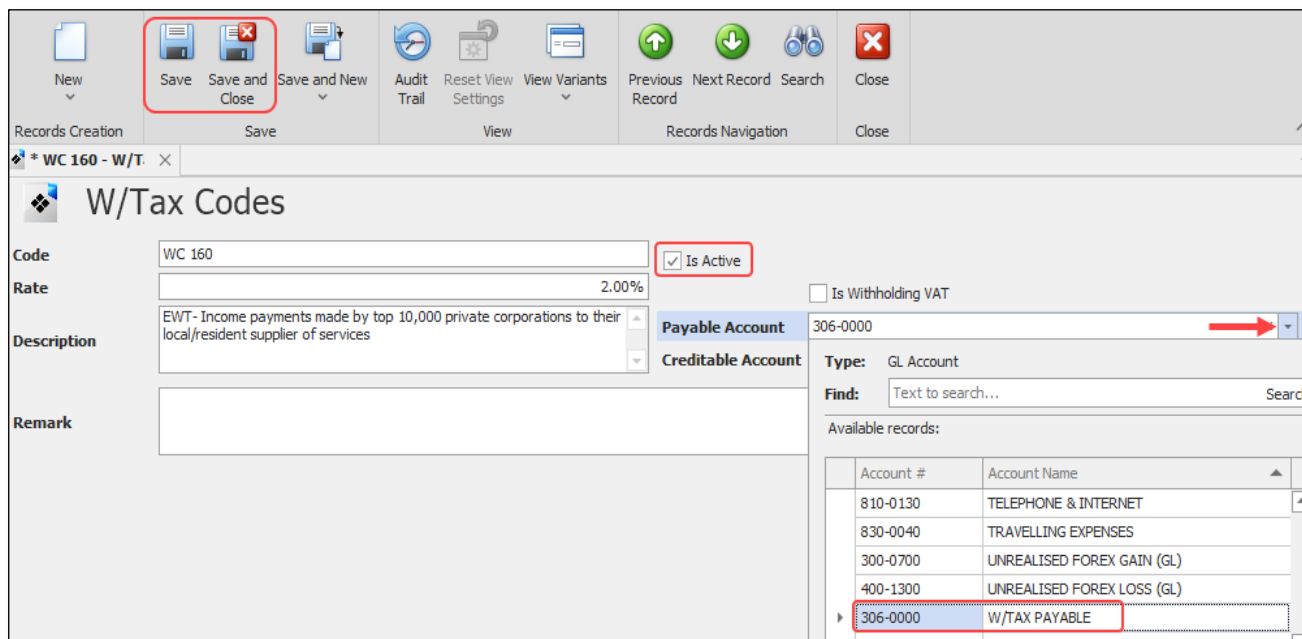
1. Navigate to **WTAX > W/Tax Codes**.



2. Look for the WTax Code to be enabled (e.g. **WC 160**) and double-click it.

W/Tax Codes		
Code	Description	Rate
WC 158	EWT- Income payments made by top 10,000 private corporations to their local/resident supplier of goods	1.00%
WC 160	EWT- Income payments made by top 10,000 private corporations to their local/resident supplier of services	2.00%
WC 515	EWT- commission, rebates, discounts & other similar considerations paid/granted to independent & exclus...	10.00%
WC 535	EWT - payments made by pre- need companies to funeral parlors	1.00%

3. Tick the **Is Active** checkbox and select the **Withholding Tax Payable GL Account** (and/or **Creditable GL Account** as applicable) from the dropdown list. Click **Save**.



**W/Tax Codes**

Code: WC 160 ☒ Is Active

Rate: 2.00%

Description: EWT - Income payments made by top 10,000 private corporations to their local/resident supplier of services

Remark:

Payable Account: 306-0000

Creditable Account:

Type: GL Account

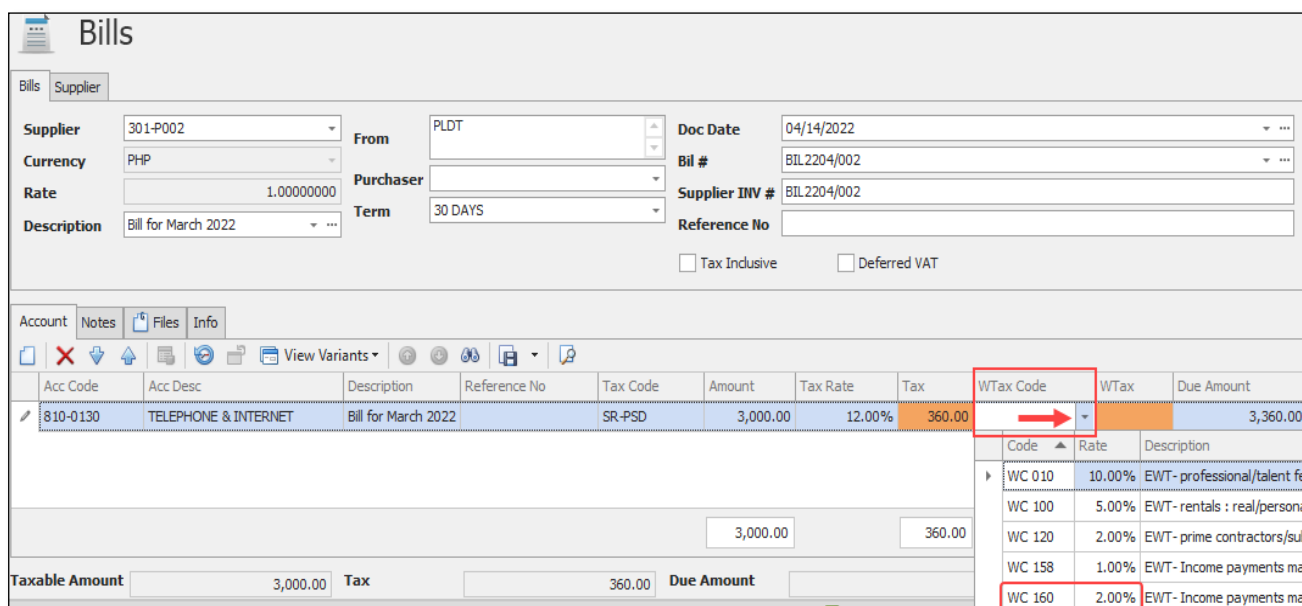
Find: Text to search... Search

Available records:

Account #	Account Name
810-0130	TELEPHONE & INTERNET
830-0040	TRAVELLING EXPENSES
300-0700	UNREALISED FOREX GAIN (GL)
400-1300	UNREALISED FOREX LOSS (GL)
306-0000	W/TAX PAYABLE

## Step 2: Record WTax in the transaction (e.g. Bill)

1. In the Bill transaction, simply select the **WTax Code** from the dropdown list.



**Bills**

Supplier: 301-P002 From: PLDT Doc Date: 04/14/2022

Currency: PHP Purchaser: Bil #: BIL2204/002

Rate: 1.00000000 Supplier INV #: BIL2204/002

Description: Bill for March 2022 Reference No:

☐ Tax Inclusive ☐ Deferred VAT

Account: Notes Files Info

Acc Code	Acc Desc	Description	Reference No	Tax Code	Amount	Tax Rate	Tax	WTax Code	WTax	Due Amount
810-0130	TELEPHONE & INTERNET	Bill for March 2022		SR-PSD	3,000.00	12.00%	360.00	WC 160	2.00%	3,360.00

WTax Code dropdown list:

Code	Rate	Description
WC 010	10.00%	EWT - professional/talent fee
WC 100	5.00%	EWT - rentals : real/personal
WC 120	2.00%	EWT - prime contractors/sub
WC 158	1.00%	EWT - Income payments made
WC 160	2.00%	EWT - Income payments made

Taxable Amount: 3,000.00 Tax: 360.00 Due Amount: 3,360.00

Bills

Supplier

Supplier

301-P002

From

PLDT

Doc Date

04/14/2022

Currency

PHP

Purchaser

Bil #

BIL 2204/002

Rate

1.00000000

Term

30 DAYS

Supplier INV #

BIL 2204/002

Description

Bill for March 2022

Reference No

☐ Tax Inclusive
 ☐ Deferred VAT

Account

Notes

Files

Info

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View Variants

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Acc Code	Acc Desc	Description	Reference No	Tax Code	Amount	Tax Rate	Tax	WTax Code	WTax	Due Amount
810-0130	TELEPHONE & INTERNET	Bill for March 2022		SR-PSD	3,000.00	12.00%	360.00	WC 160	60.00	3,300.00

Calculator

Standard

3000 × 0.02 =

60

**BIL2204/002 - Bills - QNE Optimum**

File Home Edit Taskbar Tools Window Help

**GL Journals**  
Show transaction posting details

New Save Save and Close Save and New Preview and New Print And New Audit Trail Online Help Reset View Settings View Variants Print Preview Previous Record Next Record Search Close

Records Creation Save View Records Navigation Close

**BIL2204/002 - E**

Date	Account #	Account Name	Doc #	Description	Debit	Credit	From Account
04/14/2022	810-0130	TELEPHONE & INTERNET	BIL2204/002	PLDT	3,000.00		301-P002
04/14/2022	301-P002	PLDT	BIL2204/002	Bill for March 2022		3,300.00	301-P002
04/14/2022	306-0000	W/TAX PAYABLE	BIL2204/002	PLDT		60.00	301-P002
04/14/2022	107-0000	INPUT VAT	BIL2204/002	PLDT	360.00		810-0130
					3,360.00	3,360.00	

**W/Tax Codes**

Code: WC 160 ☒ Is Active ☐ Is Withholding VAT

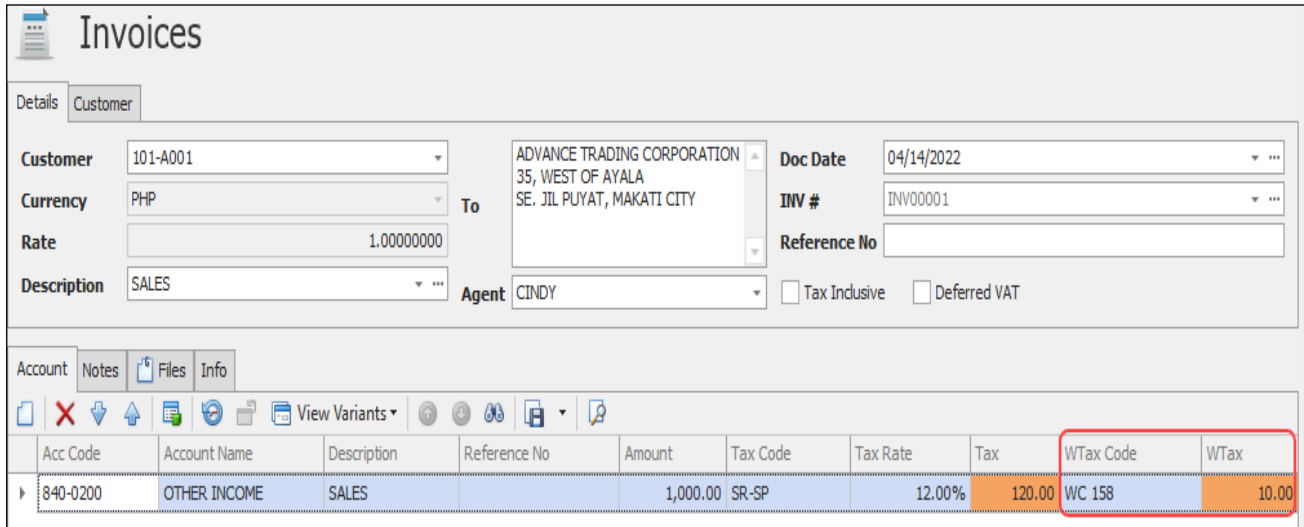
Rate: 2.00%

Description: EWT - Income payments made by top 10,000 private corporations to their local/resident supplier of services

Payable Account: 306-0000

Creditable Account:

To record WTax in Invoice transaction, perform the same steps as with the Bill.



**Invoices**

Details Customer

Customer: 101-A001 ADVANCE TRADING CORPORATION  
35, WEST OF AYALA  
SE. JIL PUYAT, MAKATI CITY

Currency: PHP To

Rate: 1.00000000

Description: SALES Agent: CINDY

Doc Date: 04/14/2022

INV #: INV00001

Reference No:

☐ Tax Inclusive ☐ Deferred VAT

Account Notes Files Info

View Variants

Acc Code	Account Name	Description	Reference No	Amount	Tax Code	Tax Rate	Tax	WTax Code	WTax
840-0200	OTHER INCOME	SALES		1,000.00	SR-SP	12.00%	120.00	WC 158	10.00

To record WTax upon payment, please refer to the KB article below (copy and paste the link to your browser):

<https://support.qne.com.ph/en/support/solutions/articles/35000142401-kb101910how-to-recognize-wtax-upon-payment>

To record WTax upon collection, please refer to the KB article below (copy and paste the link to your browser):

<https://support.qne.com.ph/en/support/solutions/articles/35000142394-kb101909-how-to-recognize-wtax-upon-collection>



**For further concerns regarding this matter, please contact support to assist you or create ticket thru this link <https://support.qne.com.ph>**