



TAX COMPLIANCE GUIDE FOR FREELANCERS AND BUSINESS OWNER

MODULE 2

LESSON 3:


FILING AND TRACKING SLSP (SUMMARY LIST OF SALES AND PURCHASES)





Module 2. BIR Forms Explained





Lesson 3. Filing and Tracking SLSP (Summary List of Sales and Purchases)



1. What is the SLSP?

The Summary List of Sales and Purchases (SLSP) is a detailed report that VAT-registered individuals, including freelancers, must file each quarter. The purpose of the SLSP is to provide the BIR with a list of:

All sales you've made to VAT-registered customers.

All purchases you've made from VAT-registered suppliers.

The SLSP allows the BIR to cross-check the VAT you have collected from your clients (output VAT) and the VAT you've paid to your suppliers (input VAT). This ensures that your VAT reporting aligns with what your customers and suppliers are declaring.



2. Why Do Freelancers Need to File an SLSP?

As a VAT-registered freelancer, you're required to:

Charge 12% VAT on your services and remit it to the BIR.

Claim input VAT from your business expenses to offset the VAT you owe.

The SLSP is an essential part of this system, as it helps the BIR ensure that everyone is complying with VAT rules.



2. Why Do Freelancers Need to File an SLSP?

Example:

If you're a VAT-registered freelance web developer and you've billed a client ₱100,000, you will have charged them **₱12,000 in VAT**, bringing the total invoice to **₱112,000**. At the same time, if you purchased a new laptop for your business and paid **₱50,000**, you paid **₱6,000 in VAT** to your supplier.

The SLSP will list both the **₱112,000** sale to your client and the **₱50,000** purchase from your supplier, allowing you to offset the **₱6,000** you paid in input VAT from the **₱12,000** output VAT you collected.



3. When and How to File the SLSP

The SLSP must be submitted quarterly, along with your VAT returns (BIR Form 2550Q).

Filing Deadlines for the SLSP:

1st Quarter: April 25

2nd Quarter: July 25

3rd Quarter: October 25

4th Quarter: January 25 of the following year

You can file the SLSP either manually or electronically using the BIR's eSubmission portal.



4. Step-by-Step Guide to Preparing and Filing the SLSP

Now, let's go step-by-step through the process of preparing and filing your SLSP report.

Step 1: Prepare the Summary of Sales

The first part of the SLSP is your Summary List of Sales. This is where you list all the sales transactions where you collected VAT from your clients.

1. Gather the Necessary Information:

Client's **TIN** and **registered name**.

Invoice number and **date of transaction**.

The **gross sales amount**, **VAT amount collected**, and **total amount**.



2. Fill out the Sales Section of the SLSP:

Input each sales transaction, listing the **gross sales** and **VAT collected** separately.

Example: If you invoiced a client for ₱100,000, and collected ₱12,000 in VAT, your sales entry would be:

Gross Sales: ₱100,000

VAT Collected: ₱12,000



Step 2: Prepare the Summary of Purchases

The second part of the SLSP is your **Summary List of Purchases**. Here, you'll list all the purchases where you paid VAT to your suppliers.

1. Gather the Necessary Information:

Supplier's **TIN** and **registered name**.

Invoice number and **date of transaction**.

The **gross purchase amount**, **VAT paid**, and **total amount**.



2. Fill out the Purchases Section of the SLSP:

Input each purchase transaction, listing the **gross purchases** and **VAT paid** separately.

Example: If you purchased a new laptop for ₱50,000, paying ₱6,000 in VAT, your purchase entry would be:

Gross Purchase: ₱50,000

VAT Paid: ₱6,000



Step 3: Submit the SLSP

Once you've completed both the sales and purchases sections of the SLSP, it's time to submit the form.

- 1. eSubmission:** The BIR requires VAT-registered taxpayers to submit the SLSP **electronically** through the **eSubmission portal**. Ensure your report is in the proper file format (usually an **Excel** or **CSV** file).
- 2. Confirmation:** After submitting, the system will generate a confirmation email. Keep this confirmation for your records in case of any future inquiries from the BIR.



5. Common Mistakes to Avoid

When filing the SLSP, freelancers sometimes make errors that can lead to penalties or inaccurate VAT reporting. Here are a few common mistakes to watch out for:

a. Forgetting to Include Purchases

Some freelancers forget to include their purchases in the SLSP, which results in missing input VAT claims. This means you could be paying more in VAT than you need to.

b. Inconsistent Sales Records

Make sure that the sales amounts reported in your SLSP match the amounts you reported in your VAT return (Form 2550Q). Discrepancies can raise red flags with the BIR.

c. Late Filing

As with all tax filings, submitting the SLSP late can result in penalties. Be sure to mark the filing deadlines on your calendar and submit your SLSP on time.



Key Takeaways

1

The **SLSP** is a quarterly report that VAT-registered freelancers must file, listing all their **sales and purchases** where VAT was collected or paid.

2

The report is filed electronically through the **BIR eSubmission portal**, with quarterly deadlines on **April 25, July 25, October 25, and January 25**.

3

Common mistakes include **forgetting to include purchases** and **reporting inconsistent sales figures** between the SLSP and VAT returns.



Learning Activity

Take a moment to:

Review your last quarter's sales and purchases and make sure you have all the necessary details (TINs, gross amounts, VAT collected/paid).

Prepare a draft SLSP report using your sales and purchase records.



What's Next?

In the next lesson, we'll move on to Handling Withholding Tax with BIR Form 2307. You'll learn how to use this form to claim tax credits and reduce your overall tax liability. Stay tuned for Lesson 4 of Module 2!



