REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

January 31, 2007

REVENUE MEMORANDUM CIRCULAR NO. 10 - 2007

SUBJECT : **Circulating the Memorandum of the Commissioner of Internal Revenue (CIR) on Tax Mapping Operations on Properties for Rent/Lease, dated January 19, 2007**

To : **All Revenue Officials and Personnel and Others Concerned**

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Circularized hereunder is the memorandum of the undersigned dated January 19, 2007 mandating tax mapping operations on properties for rent/lease, quoted as follows:

"MEMORANDUM

TO : All Revenue Regional Directors, Revenue District Officers and All Internal Revenue Officers Concerned

FROM : JOSE MARIO C. BUÑAG
Commissioner of Internal Revenue

RE : Tax Mapping Operations on Properties for Rent/Lease

DATE : 19 January 2007

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In line with our objectives to intensify our efforts to improve voluntary compliance among taxpayers and ensure that tax leakages are minimized, if not totally eliminated, you are hereby directed to give more attention and/or focus on taxpayers engaged in rental businesses/leasing of real properties nationwide, *e.g.*, lands, house and lots, houses, warehouses, establishments used for commercial/business undertakings, subdivisions, townhouses, apartments, condominium units, dormitories, boarding houses, etc., for the collection of taxes due thereon.

This undertaking shall include the usual tax-mapping activities of checking the registration and bookkeeping requirements of the concerned taxpayers and likewise, their compliance with the issuance of official receipts. You are also

hereby directed to coordinate with and/or gather and access pertinent information from building/subdivision/condominium administrators and from such other good potential sources of information to ensure that properties being rented/leased out are duly monitored by the Bureau and proper taxes are accordingly collected. Please be reminded however, that compliance with, and adherence to, existing procedures in the conduct of the tax-mapping activities are expected from the Bureau officers and personnel who shall participate in the said activities, to avoid conflict between them and the taxpayers concerned.

The Regional Directors shall, every 5th day of the month following the month during which the tax-mapping activities are undertaken, submit a monthly report to the Office of the Commissioner of Internal Revenue (OCIR), thru the Deputy Commissioner – Operations Group, containing the names and addresses of the tax-mapped taxpayers with status of their compliance and violations of tax laws, rules and regulations, if any; the list of names recommended for audit/investigation and the reasons and justifications that would warrant such audit/investigation pursuant to existing issuances. The report shall be evaluated and final approval thereof shall be made by the Commissioner of Internal Revenue which shall thereafter serve as the basis and authority for the concerned Regional Directors to issue Letters of Authority to audit/investigate the covered taxpayers.

Likewise, the Regional Directors are hereby directed to submit quarterly summary report on the result of their audit/investigation to the OCIR, copy furnish the Deputy Commissioner – Operations Group, every 15th of the month following each quarter. The quarterly summary report shall include the names and addresses of taxpayers under audit/investigation, deficiency tax assessments and/or payments made as a result thereof, other findings therefrom and the action/s taken on such findings.

For your strict compliance and guidance.

(SGD.) JOSE MARIO C. BUÑAG
Commissioner of Internal Revenue"

All internal revenue officers and others concerned are enjoined to give this Circular as wide a publicity as possible.

For immediate compliance.

(Original Signed)
JOSE MARIO C. BUÑAG
Commissioner of Internal Revenue