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

REVENUE MEMORANDUM CIRCULAR NO. 47-2014

SUBJECT : Publishing the Full Text of the Memorandum of Understanding (MOU) between the **BUREAU OF INTERNAL REVENUE (BIR)** and **HOME DEVELOPMENT MUTUAL FUND (HDMF)**

TO : All Internal Revenue Officials, Employees, and Other Concerned

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For the information and guidance of all concerned, quoted hereunder is the full text of the Memorandum of Understanding (MOU) between the Bureau of Internal Revenue (BIR) and the Home Development Mutual Fund (HDMF) signed on May 12, 2014 in Mandaluyong, Metro Manila, Philippines.

"MEMORANDUM OF UNDERSTANDING

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Understanding is entered into this day of May 12, 2014 in Metro Manila, Philippines, by and among:

The **BUREAU OF INTERNAL REVENUE,** a government agency organized and existing in the Republic of the Philippines, with principal address at the BIR National Office Building, BIR Road, Diliman, Quezon City, and represented in this act by its Commissioner, **ATTY. KIM S. JACINTO-HENARES** (hereinafter referred to as the **BIR);**

and

The **HOME DEVELOPMENT MUTUAL FUND,** a government financial institution organized and existing by virtue of Republic Act No. 9679 with principal address at Petron Mega Plaza Building, 358 Sen. Gil Puyat Avenue, Makati City and represented in this act by its Chief Executive Officer, **ATTY. DARLENE MARIE B. BERBERABE** (hereinafter referred to as **Pag-IBIG Fund)**.

WITNESSETH THAT:

WHEREAS, Pag – IBIG Fund is the principal government agency mandated to provide housing loan financing and mutual provident saving system to Filipino workers;

WHEREAS, Sec. 3 of RA 9679 states that the State's objectives are to improve the quality of life of its citizens by providing them with sufficient shelter, to provide for an integrated nationwide provident savings system, and to provide housing through mobilization of funds for shelter finance through **Pag-IBIG Fund**;

WHEREAS, the **BIR** is committed to collect taxes for nation-building through excellent, efficient and transparent service, just and fair enforcement of tax laws, uplifting the life of every Filipino;

WHEREAS, the **BIR** has implemented the Electronic Bureau of Internal Revenue Forms (eBIRForms) primarily to provide taxpayers with an alternative mode of preparing and filing tax through the use of the downloadable eBIRForms Software Package;

WHEREAS, Pag-IBIG Fund, in fulfillment of its mandate, processes on a daily basis voluminous transactions with its members and developers, that usually involve the payment of expanded withholding tax, capital gains tax, documentary stamp tax, among others;

WHEREAS, Pag-IBIG fund is dedicated to improve and accelerate the processing of its transactions, including the remittance of taxes on behalf of its members, borrowers and developers;

WHEREAS, both parties have expressed their willingness to cooperate and assist each other and provide the necessary support for the use of **eBIRForms** in the **Pag-IBIG Fund's** provident and housing loan programs;

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties hereto have agreed to undertake the following:

I. OBLIGATIONS OF THE PARTIES

1. BIR

a. Allow the **Pag-IBIG Fund,** with proper written authorization from the members/borrowers/ developers concerned, to file and remit the taxes payable by its members/borrowers/developers arising from their transactions with the Fund using **eBIRForms** or other modes of payment (e.g. mobile payment, debit system, etc.);

b. Provide assistance for the computation of related taxes, submission of documents and verification of status of Pag-IBIG accounts through a special lane, for the issuance of the Certificate Authorizing Registration (CAR);

c. Allow the **Pag-IBIG Fund** to secure, on behalf of its members/borrowers/developers, the CAR from BIR, if duly authorized for the purpose.

2. Pag-IBIG Fund

a. Secure the proper authority from its members/borrowers/developers to file and remit the taxes on their behalf using **eBIRForms** or other modes of payment (e.g. mobile payment, debit system, etc.);

b. Responsible for the submission of complete documents and remittance of correct taxes based on the evaluation of the transactions/documents filed on behalf of members/borrowers/developers.

3. Formation of a Technical Working Group

The parties shall work together on this endeavor in the spirit of mutual trust, cooperation and coordination. Towards this end, they shall immediately form a Technical Working Group to study, identify and define the administrative, technical and other requirements to achieve the objective of this MOU.

II. AMENDMENTS

The Memorandum of Understanding may be amended only in writing duly signed by authorized representatives of all parties hereto.

III. EXECUTION OF AGREEMENT

The Parties shall issue and promulgate such guidelines and execute an agreement or contract as may be necessary and proper for the full implementation of the provisions of this Memorandum of Understanding.

IV. EFFECTIVITY

This Memorandum of Understanding shall take effect upon the signing of the Parties hereof and shall remain in force until terminated at any time by service of notice by either party.

IN WITNESS WHEREOF, the parties hereunto set their hands this May 12, 2014 in Mandaluyong City, Metro Manila, Philippines.

BUREAU OF INTERNAL REVENUE
By:

(Originally Signed)
ATTY. KIM S. JACINTO-HENARES
Commissioner

HOME DEVELOPMENT MUTUAL FUND
By:

(Originally Signed)
ATTY. DARLENE MARIE B. BERBERABE
Chief, Executive Officer

SIGNED IN THE PRESENCE OF:

(Originally Signed)
MS. LILIA C. GUILLERMO
Deputy Commissioner of
Internal Revenue
Information Systems Group

(Originally Signed)
MR. ACMAD RIZALDY P. MOTI
Deputy Chief Executive Officer
Home Lending Operations Cluster"

All concerned revenue officials and employees are hereby enjoined to give this Circular as wide a publicity as possible.

(Original Signed)
KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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