REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

December 16, 2009

REVENUE MEMORANDUM CIRCULAR NO. 71-2009

SUBJECT: Publishing the full text of the Memorandum of Agreement between the Bureau of Internal Revenue (BIR), Bureau of Local Government Finance (BLGF) and Philippine Association of Local Treasurers and Assessors, Inc. (PHALTRA)

TO : All Internal Revenue Officers and Others Concerned

For the information and guidance of all concerned, quoted hereunder is the full text of the Memorandum of Agreement (MOA) between the Bureau of Internal Revenue (BIR), Bureau of Local Government Finance (BLGF) and Philippine Association of Local Treasurers and Assessors, Inc. (PHALTRA) signed on December 16, 2009 at the BIR National Training Center Auditorium, BIR, National Office, Diliman, Quezon City.

"MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **MEMORANDUM OF AGREEMENT** is entered into by and between:

The BUREAU OF INTERNAL REVENUE (BIR), a government agency under the Department of Finance, with office address at BIR Road, Diliman, Quezon City, herein represented by **Commissioner JOEL L. TAN-TORRES**, hereinafter referred to as "BIR"**;**

-and-

The **BUREAU OF LOCAL GOVERNMENT FINANCE (BLGF)**, a government agency under the Department of Finance, whose mandate is the supervision of local government finance, with office address at 8Floor, EDPC Building, Bangko Sentral ng Pilipinas, Manila, herein represented by **Executive Director MA. PRESENTACION R. MONTESA**, hereinafter referred to as "BLGF";

-and-

The **PHILIPPINE ASSOCIATION OF LOCAL TREASURERS AND ASSESSORS, INC. (PHALTRA),** a non-government organization of local treasurers and assessors, with office address at No. 133 Matahimik St., U.P. Village, Quezon City, Metro Manila, and represented herein by its **authorized representative and Past President, DR. VICTOR B. ENDRIGA**, herein referred to as "PHALTRA";

WITNESSETH:

WHEREAS, all parties are willing to coordinate and cooperate to improve service to taxpayers and to enhance tax collection and administration.

WHEREAS, records, documents, data and information needed by all parties to augment the revenue base and increase tax collections are with the BIR, local treasurer's and assessor's offices.

WHEREAS, there are existing systems and administrative orders, including the LGU Assurance System pursuant to Department Order No. 9-08, that are now being implemented but can further be enhanced.

WHEREAS, the LGU Revenue Assurance System as implemented by Department Order No. 9-08 showed that a great number of taxpayers registered with the LGU's are not registered with the BIR, and vice versa.

WHEREAS, Executive Order No. 98, Series of 1999, directs all government agencies, instrumentalities, local government units, and government-owned and/or controlled corporations to include the Taxpayer Identification Number (TIN) as one of the requirements in all applications for all government permit, license, clearance, official paper or other similar document.

NOW, **THEREFORE**, the parties hereby agree on the following:

A. The Bureau of Internal Revenue (BIR) shall:

1. Establish Taxpayer Service Areas/BIR help desks in city/municipal halls every January of each year during the time of application or renewal for Mayor's Permits and Business Licenses, for them to assist taxpayers in the payment of registration fees, issue TINs, registration with the BIR and respond to queries from taxpayers.

2. Utilize the data provided by LGUs and BLGF in its program, to augment the revenue base and increase tax collection efficiency.

3. Share information with the local treasurers on the names and the address of the registered taxpayers.

4. Improve the cooperation and coordination with the local assessors in the updating zonal values on real properties.

5. Recognize the efforts of the most cooperative treasurers and assessors who have given the most cooperation and efforts in this undertaking, in appropriate awarding ceremonies to be organized for this purpose.

6. Issue necessary circulars and orders to implement the provisions of the Memorandum of Agreement.

B. The Bureau of Local Government Finance (BLGF) shall:

1. Issue the necessary circulars or orders to implement the provisions of the Memorandum of Agreement.

2. Disseminate and circulate the same to all municipal, city and provincial treasurers all over the country to ensure its uniform and effective implementation.

C. All Local Government Unit Treasurers and/or Assessors through The Philippine Association of Local Treasurers and Assessors of the Philippines (PHALTRA) shall:

1. Require the presentation of the Certificate of Registration (BIR Form No. 2303) and current year's annual Registration Fee (BIR Form No. 0605), by persons and business establishments securing or renewing business permits.

2. Require that the presentation of TIN be part of the requirements in all applications for government permit, license, clearance, official paper or any other similar document as prescribed under Executive Order No. 98, Series of 1999.

3. Share information with the BIR on the declared amount of gross sales/gross receipt and other data of taxpayers based.

4. Improve the cooperation and coordination with the BIR in updating zonal values on real properties.

IN WITNESS WHEREOF, the parties herein have hereunto affixed their signatures this 16th day of December 2009 at BIR National Training Center Auditorium, Metro Manila, Philippines.

BUREAU OF INTERNAL REVENUE

By: (Original Signed)
JOEL L. TAN-TORRES
Commissioner of Internal Revenue

BUREAU OF LOCAL GOVERNMENT FINANCE

By : (Original Signed)
MA. PRESENTACION R. MONTESA
Executive Director

PHILIPPINE ASSOCIATION OF LOCAL TREASURERS AND ASSESSORS, INC.

(Original Signed)
DR. VICTOR B. ENDRIGA Ph.D.
Authorized Representative and Past President"

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

(Original Signed)
JOEL L. TAN-TORRES
Commissioner of Internal Revenue