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

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RECORDS MGT. DIVISION

July 9, 2021

REVENUE MEMORANDUM CIRCULAR NO. 90-2021

SUBJECT : Specific Guidelines and Procedures on the Utilization of Tax Payment Certificate (TPC) Issued Under the Comprehensive Automotive Resurgence Strategy (CARS) Program

TO : All Internal Revenue Officials, Employees and Others Concerned

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This Circular is hereby issued to provide specific guidelines and procedures on the utilization of the Tax Payment Certificate (TPC) issued as a fiscal support to the registered and eligible participating car makers, participating parts makers and shared testing service providers, collectively called "Eligible and Registered Participants (ERPs)", under the Comprehensive Automotive Resurgence Strategy (CARS) Program of Executive Order No. 182, series of 2015. The implementing guidelines for the TPC mechanism have been prescribed by DOF-DBM-BOI Joint Administrative Order No. 01-2015 dated November 16, 2015, as circularized by Revenue Memorandum Circular No. 65-2018. Revenue Regulations (RR) No. 12-2021 has already been issued on 23 June 2021 prescribing the general policies and guidelines on the availment and utilization by the ERPs of the TPC.

For the guidance of all ERPs, BIR revenue personnel and other stakeholders, the specific guidelines and procedures, in the form of Question and Answer, shall be complied with regarding the use of TPC as payment of internal revenue tax liabilities of the concerned ERPs, as follows:

Q1 : **What is a Tax Payment Certificate (TPC)?**

A1 : TPC refers to a non-transferrable certificate, which shall be used to defray the tax and duty obligations of the ERPs to the National Government. *(Item 2.4 of DOF-DBM-BOI Joint Administrative Order No. 01-2015)*

Q2 : **Who shall request for the issuance of TPC and from what office shall it be requested?**

A2 : The ERPs shall request from DTI-BOI for the issuance of TPC based on the statutory deadlines for payment of tax and/or duty. *(Item 6.3 of DOF-DBM-BOI Joint Administrative Order No. 01-2015)*

Q3 : **What internal revenue taxes shall be paid by the ERPs using the TPC?**

A3 : The TPC shall only be applied against the excise tax, income tax and value-added tax (VAT) liabilities incurred in the course of the ERPs operations, and shall not

include any type of withholding taxes of the ERPs. *(Item 2.4 under the Definition of Terms of DOF-DBM-BOI Joint Administrative Order No. 01-2015)*

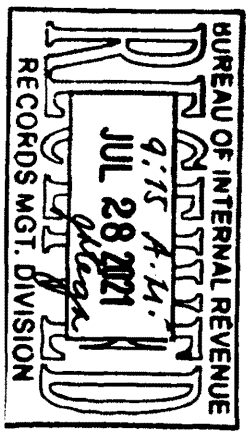
Q4 : How will the ERPs accomplish the tax return using the TPC?

A4 : The amount of the TPC shall be indicated in the tax return as deduction from the tax due of the ERPs. Specifically, indicate the phrase "TPC No. *(control or serial number)*" and its corresponding amount in the boxes provided for in the line item of the tax return which states the phrase "Other Tax Credits/Payments (specify)" located immediately after the line item stating "Tax Due".

In case the amount of TPC exceeds the tax due, net of the creditable taxes, the excess shall not be considered or treated as a refundable amount. *(Par. 2, Section 5 of Revenue Regulations No. 12-2021)*

Q5 : Where will the tax return be filed and the corresponding tax be paid?

A5 : The accomplished tax return shall be filed using the electronic Filing and Payment System (eFPS) or eBIRForms Package, as the case may be. In case the tax due is more than the amount of the TPC, the tax still due shall be paid using the available modes of payment of the BIR.



The printed hard copy of the duly-filed tax returns, together with the BIR copy of the TPC and other prescribed attachments, shall be submitted to the Revenue District Office (RDO), Large Taxpayer Division Office (LTDO), or LT Documents Processing and Quality Assurance Division (LTDPQAD) of the Large Taxpayer Service, where the ERPs are duly registered, pursuant to existing revenue guidelines and procedures.

The ERPs' copy of the TPC shall be retained by them. The BIR copy of the TPC shall be used for recording purposes in the collection books of the BIR.

Q6 : What is the validity period of TPC?

A6 : A TPC shall have a validity period of thirty (30) days counted from date of issue, and can only be used once. The date indicated on the face of the TPC shall be presumed to the be the date of issuance. *(Item 6.4 of DOF-DBM-BOI Joint Administrative Order No. 01-2015)*

In the event that a TPC is not presented or utilized for tax payment to the BIR, the ERPs should immediately surrender and return the original copy of the TPC to DTI-BOI for reinstatement in the PCMIA (i.e., Participating Car Maker Incentive Account): *Provided*, That the surrender thereof is made within the validity period of the TPC, otherwise the same shall be forfeited in favor of the government. *(Item 6.7 of DOF-DBM-BOI Joint Administrative Order No. 01-2015)*

Q7 : How shall the BIR validate the TPC, which was attached by the ERPs to their tax return?

A7 : The Collection Section of the RDO and LTDO, as well as the LTDPQAD, where the ERPs are duly registered, can view and validate the TPCs thru an online facility

of the DTI-BOI. *(Item 4.2.4 and 6.8 of DOF-DBM-BOI Joint Administrative Order No. 01-2015)*

The DTI-BOI shall inform the Assistant Commissioner (ACIR), Collection Service of the BIR of any additional Eligible and Registered Participant. The ACIR, Collection Service, on the other hand, shall inform the DTI-BOI of the name(s) of the revenue officer(s) who shall be duly authorized to access the online facility. The Head of said Offices shall assign a revenue officer who is authorized to access the online facility and validate the TPCs.

Q8 : How shall the amount of TPC be recorded by the BIR as part of its revenue collection?

A8 : The BIR copy of the TPC shall be transmitted by the RDO, LTDO, or LTDPQAD, as the case may be, on Tuesday of every week to the Revenue Accounting Division (RAD) which shall record the amount of the TPC in the collection books pursuant to existing procedures.

The RAD shall prepare a monthly report (Annex "A") of revenue collection from TPCs for transmittal to the Bureau of Treasury not later than ten (10) days after every calendar month.

All are enjoined to give this Circular a wide publicity as possible. The provisions of these Circular shall take effect immediately.

CAESAR R. DULAY
Commissioner of Internal Revenue

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