REPUBLIC OF THE PHILIPPINES
DEPARTME OFINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

January 6, 2012

REVENUE MEMORANDUM ORDER NO. 1-2012

TO : All Revenue Officials and Employees Concerned

SUBJECT : Allocation of CY 2012 BIR Collection Goal by Implementing Office

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Background

The overall CY 2012 collection goal of the Bureau, as set by the Department of Finance (DOF), is ₱ 1,066.118 billion. This is 13.42% higher than CY 2011 goal of ₱ 940.000 billion. The total goal is based on the Budget of Expenditures and Sources of Financing (BESF) for 2012.

I. Objective

This Order is issued to provide the policies, methodology and guidelines in the CY 2012 Collection Goal Allocation and the resulting distribution by Implementing Offices, Revenue District Offices and Large Taxpayer Units.

II. General Policies and Guidelines

Herein are the policies and guidelines of data requirements and goal allocation methodology used in the computation of the final goal to the implementing offices.

A. Data Used

1. CY 2011 estimated actual collection by GFS Classification format based on Statistics Division (SD) report, as of January 3, 2012 from BIR Form No. 1209 reports submitted / updated by implementing offices.

2. Data Considered as Refinements for CY 2011 Collections:

    a. Special Taxes : Tax on Government Securities, Travel Tax, and Excise Taxes for CY 2011 per BIR Form No. 1209 report as of January 3, 2012;

    b. CY 2011 Collections from Non-recurring Transactions where each single transaction accounts for at least 10% of the region's total collection in a particular month, per report of implementing offices as of January 3, 2012. Only 50% of the actual amount will be considered as refinement;

    c. CY 2011 Regular Corporate Income Tax Collections from MALAMPAYA per Large Taxpayer Excise Audit Division II report, as of December 16, 2011;

    d. CY 2011 BSP Remittance of Final Withholding Tax (FWT) on interest due from domestic borrowings under Reverse Repurchase Agreements (RRPs) and other similar transactions per BIR Form 1209 report submitted by RR 6-Manila as of January 3, 2012; and

    e. CY 2011 Estimated collections from Tax Remittance Advice (TRA) per BIR Form No. 1209 report as of January 3, 2012.

3. Other Data Considered:

    a. Economic assumptions / indicators provided in the BESF (Annex A);

    b. Goal by major tax type culled from the abovementioned BESF;

    c. CY 2012 program on the volume of issuance of government securities and corresponding taxes (Final Withholding Tax and Documentary Stamp Tax) as provided by the Bureau of the Treasury (BTr);

    d. Summary of 20% Final Withholding Tax on Domestic Borrowings Withheld and Remitted by BSP to BIR, CY 2009 – October, 2011 as provided by BSP;

    e. CY 2012 goal on Final Withholding Tax Remittance of BSP as estimated by SD as of December 26, 2011;

    f. CY 2011 collection from BSP based on report submitted by RR 6-Manila as of December 29, 2011; and

    g. CY 2011 collections from the three tollway companies (South Luzon Tollways Corp(SLTC), Skyway O & M Corp(SOMC), Star Tollway Corp(STC)) enlisted to LTS (effective January 1, 2012) based on Integrated Tax Systems - CBR generated report dated December 26, 2011.

B. Goal Allocation Methodology

1. Goal Allocation by Implementing Offices/Revenue Districts/Implementing Units

a. The preliminary total goal on BIR Operations was allocated to all implementing offices based on their CY 2011 percent share to total collections subjected to refinements. The CY 2012 total goal by implementing office is shown in Annex B;

b. The following taxes are directly allocated to the Large Taxpayers Service:

i. Goal on Excise taxes amounting to ₱ 71.083 billion was allocated to LT Field Operations Division;
ii. Income tax goal of ₱ 9.185 billion on MALAMPAYA;
iii. Estimated goal on Final Withholding Taxes of BSP (BSP-FWT) in the amount of ₱ 18.981 billion;

c. The CY 2012 TRA Goal per RDO/implementing unit was estimated by applying the three-year average (CY 2009-2011) TRA national growth rate to CY 2011 estimated TRA collections;

d. RDO target was set to effect a growth of 15% to 20% from CY 2011 actual refined collections such that LTS gets an approximate share of 65% and the Revenue Regions share of 35%;

2. Goal Allocation by Month

The monthly goal allocation by major tax type was based on the monthly trend of actual CY 2011 collections. See Annex C.

III. Attachments

The following are Annexes A to E for your reference:

Annex A	Macroeconomic Assumptions and Collection Goal By Major Tax Type, CY 2012
Annex B	Collection Goal Allocation By Implementing Office, CY 2012
Annex C	Total Collection Goal Allocation By Implementing Office and Major Tax Type, CY 2012
Annex D-1	Monthly Collection Goal For Income Taxes By Implementing Office, CY 2012
Annex D-2	Monthly Collection Goal Allocation For Excise Taxes By Implementing Office, CY 2012

Annex D-3	Monthly Collection Goal Allocation For Value-Added Tax By Implementing Office, CY 2012
Annex D-4	Monthly Collection Goal Allocation For Percentage Taxes By Implementing Office, CY 2012
Annex D-5	Monthly Collection Goal Allocation For Other Taxes By Implementing Office, CY 2012
Annex D-6	Monthly Total Collection Goal Allocation By Implementing Office, CY 2012
Annex E	Monthly Collection Goal By Major Tax Type, CY 2012

IV. Requirements

A. The Large Taxpayers Service shall allocate its goal to the implementing units under its jurisdiction within five (5) working days upon receipt of this memorandum and prepare the corresponding issuance. The same shall be submitted to the Policy and Planning Service for evaluation.

B. The assigned goal of the implementing units/revenue district offices shall further be allocated to its concerned personnel. The manner or methodology of the goal allocation to individuals shall be based on a separate issuance to follow.

IV. Effectivity

This Order takes effect immediately.

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

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