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

BUREAU OF INTERNAL REVENUE
APR 25 2023
1:20pm
RECORDS

April 11, 2023

REVENUE MEMORANDUM ORDER NO. 15-2023

TO: **All Revenue Officials and Employees Concerned**

SUBJECT: **CY 2023 BIR Collection Goal Allocation, By Implementing Office Based on Medium-Term Revenue Program (MTRP) dated December 5, 2022**

I. BACKGROUND

The Department of Finance (DOF) has set the Bureau of Internal Revenue's CY 2023 overall collection goal at ₱2,599.127 Billion. This collection goal, which is based on the CY 2023 Medium-Term Revenue Program (MTRP) dated December 5, 2022, is higher than the CY 2022 actual collection by ₱256.596 Billion, or 10.95%.

II. OBJECTIVE

This Order is being issued to establish the following:

1. The policies, methodology and guidelines used in the allocation of the CY 2023 Collection Goal; and
2. The resulting distribution of the collection goal to the Large Taxpayers Service (LTS) and Revenue Regions (RRs), including Revenue District Offices (RDOs).

III. DEFINITION OF TERMS

A. Collections from Non-BIR Operations – include Final Withholding Tax (under Income Taxes) and Documentary Stamp Tax collections derived from transactions on Government Securities.

B. Collections from BIR Operations – composed of Income Taxes, Value-Added Tax, Excise Taxes, Percentage Taxes, and Other Taxes generated from transactions not classified as "Non-BIR Operations".

C. Implementing Offices (IOs) – refer to the collecting offices of the BIR, i.e., LTS, RRs and RDOs.

IV. GENERAL POLICIES AND GUIDELINES

The following policies and guidelines were observed relative to the data requirements and goal allocation methodology used in the computation of the final goal of implementing offices:

A. Data Used:

1. CY 2022 Actual Collection from Revenue Accounting Division (RAD), as reconciled with the Bureau of the Treasury (BTr), as of March 14, 2023.

2. Data considered as refinements to CY 2022 Collections:

   a. Non-Recurring transactions from January to December 2022, which include those that qualified within the threshold prescribed under the Lateral Attrition Act and collections from e-Sabong which will be discontinued in CY 2023 (Source: RRs/RDOs Reports submitted as of March 31, 2023);

   b. Collections from Estate Tax Amnesty from January to December 2022 (Source: Assessment Performance Monitoring Division Report as of January 26, 2023);

   c. Monthly collections from enlisted/delisted Large Taxpayers (Sources: ISDOS, ISG, as extracted from ITS-CBR as of February 9, 2023 and LT Document Processing and Quality Assurance Division as of March 7, 2023); and

   d. Collections from Excise Taxes (Source: BIR Form No. 1209 Reports updated as of March 16, 2023).

3. Other Data Considered:

   a. CY 2023 Macroeconomic Assumptions and Indicators (Source: MTRP);

   b. CY 2023 Collection Goal, by Major Tax Type (Source: MTRP); and

   c. CY 2023 Monthly Program of DST on GS and Monthly Trend of FWT on GS based on BTr as of December 16, 2022.

B. Goal Allocation Methodology

1. The CY 2023 Goal for BIR Operations was allocated to all IOs, as follows:

   1.1 Goal Allocation, by IO:

   a. The Refined CY 2022 Collections was derived from the Actual CY 2022 Collections by:

      a.1. Netting-out collections from Non-Recurring Transactions, Estate Tax Amnesty and Excise Taxes;

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a.2. Adding to LTS and deducting from concerned IOs collections from taxpayers to be enlisted to LTS in CY 2023; and

a.3. Deducting from LTS and adding to concerned IOs the collections from Large Taxpayers to be delisted in CY 2023.

b. The CY 2023 targets for certain items prescribed under MTRP (dated December 5, 2023) were allocated as follows:

b.1 Goal on Excise Taxes amounting to ₱351.609 Billion was directly allocated to LTS:

Excise Taxes	Amount (In Billion Pesos)
Total	**351.609**
Alcohol Products	113.730
Tobacco Products	185.678
Mining	10.183
Automobiles	5.431
Tobacco Inspection Fee	0.011
Miscellaneous	0.119
Sweetened Beverages	36.453
Cosmetic Procedures	0.004

b.2 Goal on Excise Tax on Mining amounting to ₱1.267 Billion was allocated to Revenue Regions using ratio and proportion based on CY 2022 Actual Collection from Mining.

b.3 Goal on Tax Administration in the amount of ₱4.039 Billion was allocated to all IOs using ratio and proportion based on the Refined CY 2022 Collection on Income Taxes, VAT and Percentage Taxes.

c. The Actual CY 2023 Collection Goals of Implementing Offices for the rest of the taxes were computed by growing their respective refined CY 2022 collection by a uniform growth rate of 11.43%. This growth rate is equivalent to the percentage increase in the Total CY 2023 BIR Operations Goal net of the abovementioned prescribed targets for certain taxes vs. Total CY 2022 BIR Refined Collection.

d. The Final CY 2023 Goal by IO was computed by adding-up the respective computed figures in items b and c above.

1.2 Goal Allocation, by Major Tax Type and Month:

The Final CY 2023 Goals of IOs (Table 5A) were distributed monthly, by major tax type, based on the following:

a. The total CY 2023 target allocated to IOs per tax type was aligned with the program in MTRP; and

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b. The monthly distribution of goal was based on the Refined CY 2022 Monthly Collections with adjustment in monthly collections due to the change in the payment deadlines of the Quarterly Corporate Income Tax (BIR Form 1702Q) and Quarterly filing of VAT returns.

2. The CY 2023 Goal for Non-BIR Operations amounts to ₱69.283 Billion and consists of the following:

a. FWT on Government Securities which was allocated based on the monthly trend provided by BTr; and

b. DST on Government Securities which was sourced from the monthly program provided by BTr.

C. Attachments

The following tables are attached for the reference of all concerned revenue officials and personnel:

Table 1	Macroeconomic Indicators and Assumptions, CY 2023
Table 2	Monthly Collection Goal Allocation, By Major Tax Type, CY 2023
Table 3	Total Collection Goal Allocation, By Implementing Office, CY 2023
Table 4	Collection Goal Allocation, By Implementing Office and Major Tax Type, CY 2023
Table 5A	Monthly Total Collection Goal Allocation, By Implementing Office, CY 2023
Table 5B	Monthly Collection Goal Allocation For Income Taxes, By Implementing Office, CY 2023
Table 5C	Monthly Collection Goal Allocation For Excise Taxes, By Implementing Office, CY 2023
Table 5D	Monthly Collection Goal Allocation For Value-Added Tax, By Implementing Office, CY 2023
Table 5E	Monthly Collection Goal Allocation For Percentage Taxes, By Implementing Office, CY 2023
Table 5F	Monthly Collection Goal Allocation For Other Taxes, By Implementing Office, CY 2023

D. Other Requirements

1. The LTS shall allocate its collection goal among its Divisions, and prepare the corresponding memorandum within five (5) working days upon the issuance of this Order; and

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2. The Deputy Commissioner for Operations Group and the Assistant Commissioner of LTS shall provide the Deputy Commissioner for Resource Management Group the individual goal allocation of the concerned personnel assigned in the implementing units under their respective jurisdictions, within ten (10) working days upon the issuance of this Order.

For purposes of performance in relation to the Attrition Act of 2005 (RA No. 9335), the revenue target of the BIR as published in the Budget of Expenditures and Sources of Financing (BESF) for FY 2023 shall prevail.

V. EFFECTIVITY

This Order shall take effect immediately.

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue
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