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

March 4, 2014

REVENUE MEMORANDUM ORDER NO. 17-2014

SUBJECT : Prescribing Additional Guidelines and Procedures in the Implementation of the Mobile Revenue Collection Officers System and Imposition of Applicable Sanctions/Penalties for Violations Thereof.

TO : All Internal Revenue Officials and Others Concerned

I. BACKGROUND

On March 27, 2013, Revenue Memorandum Order No. 8-2013 was issued to prescribe the policies, guidelines and procedures in the implementation of the Mobile Revenue Collection Officers System (MRCOS) using the Collection Officer's Receipting Device (CORD). The system was officially made available beginning April 8, 2013 to acknowledge receipt of non-tax and no-payment tax returns and for the printing of the required acknowledgement receipts. On May 1, 2013, the MRCOS functionality was deployed for the issuance of e-Receipts for payment of taxes, certification fees and other fees. Operations Memorandum dated April 17, 2013 was also issued by the Deputy Commissioner for Operations advising all concerned collection officers to request for RCO/Municipality Codes, which is a requirement of the Security Management Division prior to the issuance of the access codes to authorized MRCOS users.

On October 30, 2013, all Revenue District Officers (RDOs), thru the Revenue Regional Directors (RRDs), were reminded of the penalties/sanctions prescribed under existing issuances and civil service laws, rules and regulations for non-compliance with an Order, and were instructed to explain in writing the reason/s for the inactivity of the issued CORDs. Another Operations Memorandum dated November 4, 2013 was again issued instructing all concerned Revenue Collection Officers (RCOs), Special Revenue Collection Officers (SRCOs), and Collection Officers (COs) to encode in the CORD all no-payment and non-cash payment tax returns received after April 15, 2013, as well as to remind all concerned RDOs/Head of Offices of their responsibilities in monitoring the compliance of these collection officers on the use of the MRCOS, and the imposition of the corresponding penalties and sanctions if they refuse to comply with the abovementioned directive.

Despite the issuance of the aforementioned orders and memoranda prescribing the strict implementation of the MRCOS, the use of the CORDs, and the imposition of the corresponding sanctions and penalties for non-use thereof, it has been observed that substantial number of CORD recipients are still either irregularly using the system or are completely not using the device at all.

II. OBJECTIVES

In view of this, this Order is being issued to prescribe additional policies and guidelines in the use of the MRCOS and the CORDs for the acceptance of tax and non-tax payments, as well as non-cash and no-cash payment returns/forms/declarations, the issuance of the corresponding e-receipts thru the CORDs, the imposition of the appropriate sanctions to all concerned in case of non-compliance, as well as to define the duties and responsibilities of all concerned revenue officials in the implementation thereof.

III. POLICIES AND GUIDELINES

The following policies and guidelines shall be strictly observed:

1. The provisions as prescribed in RMO No. 8-2013 in the implementation of the MRCOs shall be strictly enforced.

2. In order to fully maximize the utilization of the MRCOS and the use of the CORD in issuing electronic receipts, and deter all collection officers from the non-utilization/irregular utilization thereof, all collecting officers [Revenue Collection Officers (RCOs), Special Collection Officers (SRCOs) and Collection Officers (COs)] who were issued CORDs and who are considered as inactive/irregular users based on the conditions enumerated in Item No. 3 below, shall be given a performance rating of not higher than UNSATISFACTORY covering the semester when the CORDs were officially assigned to them and every rating period thereafter.

3. The MRCOS, thru the use of the CORD, shall be considered as unutilized/irregularly utilized if ANY of the following conditions is present:

    a. If the recipient of the CORD did not request for user access to the CORD and the web-based MRCOS;

    b. If the recipient of the CORD did not receive any user access from the Security Management Division and/or Revenue Data Center (RDC) since the time the device was given and no action was undertaken by the recipient to follow-up or inquire on the status of his/her request for system access;

    c. If the recipient of the CORD was granted access but have not yet logged-in in the system;

d. If the recipient of the CORD was given access and have logged-in but used the device only for a short period of time and have stopped using the device from then on;

e. If the recipient of the CORD was given access and used the device after long intervals without any valid or justifiable reason;

f. If the recipient of the CORD alternately issues e-receipts and manual receipts without prior approval of the RDO; or

g. If the recipient of the CORD issues manual receipts for tax and non-tax payments received and only uses the CORD to encode the details of payment, as well as when no acknowledgement receipts were issued for non-cash/no-payment tax returns/forms/declaration received.

4. All collecting officers who were considered as inactive or irregular users based on the conditions set-forth in Item No. 3 above shall be issued a "Show-Cause Letter" and shall be required to explain in writing with corresponding documentary evidences within the prescribed period, why he or she should not be given a performance rating of UNSATISFACTORY or BELOW. Any justification provided for the purpose shall be subject to validation by the concerned offices in the national and in the regional/district offices. The report on the results of the said verification shall be submitted to the Commissioner, copy furnished the Deputy Commissioners for Operations and the Information Systems Group. The policies and procedures for the verification of the validity of the justifications made by concerned users shall be covered by a separate Order.

5. In order to make it more convenient for MRCOS users that are physically assigned at the premises of the Revenue District Offices, the system's Web-Application has been enhanced whereby all authorized users are given another facility to access the system. Under the enhanced MRCOS, the desktop PC shall be used in lieu of the CORD for encoding the details of tax and non-tax payments, as well as non-cash and no-cash payment returns/forms/declarations received, remittances of tax collections, issuances of the corresponding e-receipts, and the generation of the List of Collections (LC).

Once the MRCOS Web-Application for the receipt of non-cash/no-cash payment returns/forms/declarations has been rolled-out to the RDOs all collecting officers assigned in the district offices shall no longer be allowed to manually receive no-payment and non-cash payment returns/forms/declaration by just stamping the word "RECEIVED" without the corresponding e-Acknowledgement Receipt. Instead, they shall use the desktop PC in encoding the details of the returns/forms/declarations filed and issue the acknowledgement receipts thru their ordinary printers.

Upon full implementation of the MRCOS Web Application that includes the facility for the receipt of tax/non-tax payment returns/forms/declarations with corresponding payments, all bonded collecting officers in the district office/national office shall no longer be allowed to issue manual receipts. All the details of payments and returns, forms/declarations shall be encoded in the desktop PC and the corresponding RORs and ORs shall be printed thru the use of an ordinary printer.

For this purpose, all concerned RCOs, SRCOs, COs physically assigned at the Offices of the RDOs shall surrender all the unused Revenue Official Receipts (RORs)/Official Receipts (ORs) in their possession to their respective RDOs. The maintenance of buffer stock of unused RORs and ORs in their physical possession is strictly prohibited. All pre-printed RORs and ORs shall be in the physical possession of the concerned RDOs, and it shall be his/her responsibility to ensure that no unused RORs and ORs are in the possession of the RCOs/ SRCOs/COs.

6. The temporary issuance of the manual receipts (RORs/ORs) and the receipt of no-payment returns and non-cash payment returns/declarations/forms without the corresponding e-Acknowledgement Receipt shall be allowed only if ALL of the following circumstances are present/complied prior to the actual issuance of manual receipts:

   a. The CORD being used by the collecting officer becomes unavailable due to malfunction, loss, or the like and no replacement device has been received yet or the replacement for these devices are not immediately available as certified by the Chief, Administrative Section of the concerned RDO;.

      The unavailability of the CORD should have been duly logged with the BIR Help Desk and should be duly supported by the corresponding Issue Management Log (IML) Number provided by the RDC/ NO-DC Help Desk;

   b. The user of the CORD is assigned in a municipality which is far from the district office;

   c. The Head of Office/RDO has authorized in writing the temporary issuance of the manual receipts/manual stamping of no-payment and non-cash payment returns received due to existence of all the above-mentioned circumstances.

Immediately upon availability of the CORD, the concerned collection officer shall encode into the CORD the details of the previously issued manual RORs/ORs and generate the corresponding eReceipts. In cases of no-payment and non-cash payment returns/declarations/forms, the collection officer concerned shall likewise encode in the "Manual/Acknowledgement Receipt Number" field in the CORD the BCS number and the corresponding document series or transaction number indicated in the manually prepared BCS-B report. A copy of the generated e-Receipt shall, in all cases, be attached to the BIR's copy of the previously issued manual receipts and returns/forms/declarations received.

In case the CORD is not yet available but the enhanced MRCOS Web Application is already rolled-out in the RDOs, the RCOs/SRCOs/COs shall be required to report to the concerned RDO, on a regular basis in accordance with Item No. 7 below, to encode the details of the manual receipts issued in the MRCOS Web-Application using the desktop PC.

7. The weakness/absence of Telco connectivity shall not be allowed as a reason for the non-utilization of the CORD by the collecting officers since the device has the capability to issue e-Receipts using the system's offline mode facility.

However, in order to ensure that all collections and remittances are immediately captured by the system, all concerned collection officers assigned in municipalities with allegedly weak/no Telco connectivity shall be required to physically report to their respective district offices for the uploading of the e-Receipt information and remittances, on a regular basis, the frequency of which shall depend on the proximity of their work stations in the assigned municipalities to the district office:

a. Daily – for those collecting officers whose municipality assignment is very near the revenue district office.

b. Weekly- for those collecting officers whose municipality assignment/residence is far from the revenue district office and travel time is more or less one day, back and forth.

c. Monthly- for those collecting officers who are assigned at island municipalities or very far from the district office.

However, this is only allowed in cases where the Telco connectivity is perennially a concern, subject to prior validation by concerned Revenue Data Center.

8. It shall be the responsibility of the Assistant Regional Director, the Revenue District Officer/Head of Office, and the Chief, Collection Section who has direct supervision over the RCOs, SRCOs, COs to monitor the CORD utilizations of the collecting officers under their respective supervision, as well as to ensure that all the policies, guidelines and procedures pertaining to the implementation of the MRCOS are being complied with. In case of failure to monitor the activities and/or inaction on the continued defiance by the concerned collection personnel under their jurisdiction of the guidelines and policies under this Order, the aforementioned officers shall likewise not, be given a performance rating higher than UNSATISFACTORY.

IV. REPEALING CLAUSE

All issuances and/or portions thereof inconsistent with the provisions of this Order are hereby repealed and/or amended accordingly.

V. EFFECTIVITY

This Order shall take effect immediately.

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

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