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

July 27, 2007

REVENUE MEMORANDUM ORDER NO. 17-2007

SUBJECT : Supplemental Provision on 2007 Audit Program Relative to the Minimum Audit Goal Percentage

TO : All Regional Directors, Revenue District Officers, Regional Division Chiefs and Other Internal Revenue Officers and Employees Concerned

---

I. Background

In order for the Bureau to meet the collection goal for calendar year 2007, the Revenue District Offices should exert extra effort and tap various groups, associations, government agencies and instrumentalities which can provide relevant information necessary in assessing and verifying the taxpayers' tax declaration. The information provided can be used as a tool in enhancing the audit being conducted by the Revenue District Offices inasmuch as it is required from them to attain collection from audit of at least 3% of the total collections in accordance with the agreed set target for 2007 under the Office Performance Measurement System.

II. Supplemental Policies

1. The percentage set under RMO 12-2007 is based on the presumption that taxpayers' compliance is fair which can be relied upon in attaining the total collection goal. Considering certain peculiarities present in every revenue district office, the audit goal of 3% based on the total unit goal may not be enough to contribute in the attainment of the total collection goal. Thus, the Regional Directors (RDs)/Revenue District Officers (RDOs) should increase the audit goal percentage to a level deemed appropriate in order to meet the overall collection target;

2. In computing for the revenue collection from audit, the revenue collection arising from Letter Notices should not be included. Collection from LNs shall be covered by a separate revenue issuance.

III. Effectivity

This Order takes effect immediately.

(Original Signed)
LILIAN B. HEFTI
OIC-Commissioner of Internal Revenue