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

May 17, 2016

# REVENUE MEMORANDUM ORDER NO. 19-2016

**SUBJECT : Further Amends Revenue Memorandum Order No. 2 – 2014, Prescribing the use of the Revised Taxpayer Type Classification, and Adopting the Latest 2009 Philippine Standard Industrial Classification (PSIC) and 2012 Philippine Standard Occupational Classification (PSOC)**

**TO : All Internal Revenue Officials, Employees and Others Concerned.**

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## I. OBJECTIVES:

This Revenue Memorandum Order (RMO) is issued to:

1. Prescribe the use of the Revised Taxpayer Type Classifications.
2. Provide a standard code guide on taxpayer types to be uniformly used in all district offices and other concerned offices to eliminate misclassification of taxpayer.
3. Generate more accurate statistics as to the active taxpayers per taxpayer type classification.
4. Provide uniform Registration Report Format for a more reliable and accurate reporting of registration data for computerized and non- computerized Revenue District Offices (RDOs).
5. Adopt and implement the latest 2009 PSIC and 2012 PSOC published by the National Statistical Coordinating Board (NSCB).

## II. TAXPAYER TYPE CLASSIFICATIONS

The following is the **updated Taxpayer Type Classifications** with ITS applicable codes:

| **TAXPAYER TYPE CLASSIFICATIONS** | | |
|---|---|---|
| RMO 11-2004 (ITS) | New Code (eTIS) | INDIVIDUAL (specify PSOC/PSIC) |
| EO98 | EO98FC | Executive Order No. 98-Filipino Citizen |
| | EO98FN | Executive Order No. 98-Foreign National |
| ONETT | ONETFC | One-Time Transaction – Filipino Citizen |
| ONETT | ONETFN | One-Time Transaction – Foreign National |
| **LOCAL** | **LOCAL** | **Local Employee – Compensation Income Earner Only (Resident Citizen)** |

| | | |
|---|---|---|
| | RAEMP | Resident Alien Employee – Compensation Income Earner Only |
| | **SNRAE** | **Special Non-Resident Alien Employees of RHQ, ROHQ, OBU, Petroleum** |
| SINGL | SINGL | Single Proprietorship Only (Resident Citizen) |
| RESAL | RASP | Resident Alien – Single Proprietorship |
| | RAP | Resident Alien – Professional |
| MIE | MIE | Marginal Income Earner |
| LOCAL + SINGL | MIXCS | Mixed Income Earner – Compensation Income Earner and Single Proprietor |
| LOCAL + PROF | MIXCP | Mixed Income Earner – Compensation Income Earner and Professional |
| LOCAL + PROF + SINGL | MIXCSP | Mixed Income Earner – Compensation Income Earner, Single Proprietorship & Professional |
| PROF | PROFL | Professional – Licensed (PRC, IBP) |
| PROFL | PROFG | Professional – In General |
| PROF + SINGL | PROFSP | Professional & Single Proprietor |
| ESTAT | ESTAFC | Estate – Filipino Citizen |
| | ESTAFN | Estate – Foreign National |
| TRUST | TRUSTFC | Trust – Filipino Citizen |
| | TRUSFN | Trust – Foreign National |
| | NRAET | Non-Resident Alien Engaged in Trade / Business |
| | **PIE** | **Passive Income Earner Only** |

| RMO 11-2004 (ITS) | New Code (eTIS) | **JURIDICAL ENTITIES (specify PSIC)** |
|---|---|---|
| PART | GPP | General Professional Partnership |
| | LMPART | Limited Partnership |
| | ULPART | General Partnership |
| | CORP | Domestic Corporation |
| RFCGL | RFC | Resident Foreign Corporation |
| | **RHQ** | **Regional or Area Headquarters** |
| ROHQ | ROHQ | Regional Operating Headquarters |
| JOINT | JOINT | Joint Venture |
| GOVTA | NGA | National Government Agency |
| LGU | LGU | Local Government Units |
| GVTCP | GOCC | Government Owned & Controlled Corporation |
| NONST | NONST | Non-stock Non-Profit Organizations, (e.g., Political Parties, Homeowners' Assoc., Business Leagues, etc.) |
| | COOP | Cooperatives |
| NRFC | NRFC | Non-Resident Foreign Corporation |
| NRFCG | NRFP | Non-Resident Foreign Partnership |
| | **FEIO** | **Foreign Embassies and International Organizations** |

## III. POLICIES

1. The standard taxpayer type classifications and its corresponding codes as provided under Section II of this RMO shall be uniformly used by all district offices and other concerned offices in classifying taxpayers/new registrants and their corresponding taxes to avoid inconsistencies in the registration reports.

2. There should be one taxpayer type CLASSIFICATION per taxpayer by choosing the taxpayer's main line of business/profession as the criteria for classification. For cases with multiple line of businesses/profession, Client Support Section is required to indicate applicable 2009 PSIC/ 2012 PSOC as many as appropriate.

3. **Passive Income Earners are those active individual taxpayers who are no longer engaged in trade or business with no outstanding tax liabilities or no longer employed (e.g. retired, persons with disabilities, pensioner) without business income but receiving passive income only from sources within or without the Philippines.**

4. **"Passive Income Earner Only" is available in the update of taxpayer type classification for those existing taxpayers only and cannot be used as classification during initial registration with the Bureau. Therefore, no new taxpayers shall be registered under this classification.**

5. The prescribe revised format on Report on Registration By "Taxpayer Type" Classification, TAS Report No. 007 (**Annex A**) shall be submitted on or before the 10th day of the following month to tspmd_tas@bir.gov.ph.

6. In the case of tax type classifications, the same codes shall be used for system generated report purposes. Any modification/addition in classification shall be covered by a separate RMO.

7. RDO's front liners should strictly follow Section II and III of this Order in classifying the correct taxpayer type of the taxpayers.

8. The Client Support Service shall monitor and recommend to the Internal Investigation Division the following penalties to RDOs who fail to comply with the provisions of this Order:

1st offense: Warning
2nd offense: Reprimand
3rd offense: Suspension for 30 days

## IV. EFFECTIVITY

This Order shall take effect immediately to RDOs under eTIS and upon implementation of Taxpayer Registration Information Update (TRIU). Pending the eTIS roll out to other Revenue District Offices, policies and procedures set forth under RMO 11 – 2004 shall still be observed in the meantime.

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

H-2