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

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JAN 10 2023
2:45 PM ADMIN-1
RECEIVED

04 January 2023

REVENUE MEMORANDUM ORDER NO. 2-2023

SUBJECT : CY 2023 Operational Key Performance Indicators for the Revenue Regions, Large Taxpayers Service and Revenue District Offices

TO : All Internal Revenue Officials and Employees

I. OBJECTIVES

This Order is issued to:

1. Prescribe the CY 2023 Operational Key Performance Indicators (KPIs) for the Revenue Regions (RRs), Large Taxpayers Service (LTS) and, Revenue District Offices (RDOs); and

2. Establish the policies, guidelines and procedures in the preparation and submission of Accomplishment Report and Evaluation Report of implementing offices.

II. POLICIES

1. There shall be eighteen (18) Operational KPIs indicated in **Annex A** of this Order.

2. The targets, weights, formulas, definitions, implementing offices and monitoring offices of the KPI are prescribed in **Annex A** of this Order.

3. The Assistant Commissioner shall be the Measure Owner (MO) of a particular KPI of his/her concerned offices.

4. The MO shall monitor, review, evaluate, and assess the KPI accomplishments/performance of RRs, LTS and RDOs vis a vis target of the said offices.

5. The LTS shall include the following offices as **"Implementing Office"** for a particular KPI:

Applicable KPI	Weight	Implementing Office
Collection Performance	50.00	RDO 116 – RLTAD 1 RDO 125 – RLTAD 2 RDO 126 – RLTAD 3 RDO 121 – ELTAD 1 RDO 125 – ELTAD 2 RDO 123 – LTD Cebu RDO 127 – LTD Davao
Percentage Increase in Collection	5.00	RDO 116 – RLTAD 1 RDO 125 – RLTAD 2 RDO 126 – RLTAD 3 RDO 121 – ELTAD 1 RDO 125 – ELTAD 2 RDO 123 – LTD Cebu RDO 127 – LTD Davao
Audit Effort	3.00	LTVATAU RDO 116 – RLTAD 1 RDO 125 – RLTAD 2 RDO 126 – RLTAD 3 RDO 121 – ELTAD 1 RDO 125 – ELTAD 2 RDO 123 – LTD Cebu RDO 127 – LTD Davao
Increase in collection by 10% of previous year's audit collection goal	3.00	LTVATAU
Audit Efficiency (75% of eLAs handled were transmitted by the investigating office and acknowledged by the reviewing office)	1.50	RDO 116 – RLTAD 1 RDO 125 – RLTAD 2 RDO 126 – RLTAD 3 RDO 121 – ELTAD 1 RDO 125 – ELTAD 2 RDO 123 – LTD Cebu RDO 127 – LTD Davao LTVATAU
Reduction of Tax Arrears Collection	2.00 3.00	LTCED RDO 123 – LTD Cebu RDO 127 – LTD Davao
Reduction of TAMP Stop-filer cases	2.00	LTCED RDO 123 – LTD Cebu RDO 127 – LTD Davao
Expedite promotion of qualified employees	1.50	LTS

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JAN 10 2023
2:45 p.m.
RECEIVED

6. The score for each KPI shall be computed as follows:

$$\textbf{Score} = \frac{\textit{Applicable KPI Formula}}{\textit{Applicable KPI Target}} \times \textit{KPI Weight}$$

7. The overall rating shall be computed as follows:

$$\textbf{Overall Rating} = \frac{\textit{Total Score}}{\textit{Total Applicable KPI Weights}} \times 100\%$$

NOTE: ***Total score*** *applies to the summation of applicable KPI scores of an office.* ***Total applicable KPI weight*** *applies to the summation of all applicable KPI weights of an office.*

8. In the event that the actual accomplishment exceeds the KPI target, the score shall be the maximum assigned KPI weight.

9. Figures to be used in all computations required in this Order shall be rounded off to the nearest two (2) decimal places.

10. The Operational KPIs shall be included as measures in the Office Performance Commitment and Review (OPCR) Form, as well as in the Office Index of Success Indicators of the RRs, RDs, RDOs, LTS, LTDs Cebu and Davao, LTCED and LT VATAU, in relation to the Strategic Performance Management System (SPMS).

11. The Accomplishment Report and Evaluation Report shall be prepared in the following manner:
    i) Semestral Report – January to June accomplishments;
    ii) Annual Report – January to December accomplishments.

12. Issues arising from a particular Operational KPI, including the implementation, monitoring, evaluation and reporting of accomplishments, among others, shall be referred and answered by the concerned MOs.

13. The Operational KPIs prescribed under this Order shall be adopted in succeeding years until there shall be amendments/revisions to be recommended by the MOs.

III. GUIDELINES AND PROCEDURES

A. The following are the guidelines and procedures in the preparation and submission of accomplishment and evaluation reports.

1. **Revenue District Offices, Regional Divisions, LT District Offices, LTVATAU and LTCED shall:**
    1.1 Prepare the first semester and annual Accomplishment Report for each applicable Operational KPI using the prescribed format in **Annex B.**
    1.2 Ensure accuracy of data prior to submission of the Accomplishment Report to the Regional Director and ACIR-LTS.

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JAN 10 2023
2:45 p.m.
RECEIVED

2. **Regional Director and ACIR-LTS shall:**
   2.1 Consolidate the Accomplishment Reports per KPI using the prescribed format in **Annex C.**
   2.2 Validate the accuracy and completeness of data prior to submission of the Accomplishment Report to concerned MO.

3. **Assistant Commissioner/Measure Owner shall:**
   3.1 Monitor the timely submission of Accomplishment Report by all Regional Directors and ACIR-LTS.
   3.2 Prepare the semestral (January to June) and annual (January to December) Evaluation Report for each KPI using **Annex D,** details of which are as follows:
      i) Score per KPI of RRs, Regional RDOs, LTS, LT District Offices, LTVATAU and LTCED; and
      ii) Ranking of offices.
   3.3 Ensure the completeness and accuracy of the Accomplishment Report received from RRs and LTS; and
   3.4 Submit the Evaluation Report per KPI to the ACIR-Planning and Management Service, Attention: Planning and Programming Division (PPD).

4. **Planning and Management Service/PPD shall:**
   4.1 Monitor the compliance of concerned ACIR/MO relative to the submission of KPI Evaluation Report.
   4.2 Prepare the consolidated Evaluation Report which contains the overall ratings of RRs, LTS, and RDOs using the prescribed format in **Annex E,** for submission to the Commissioner, copy furnish all Deputy Commissioners.

B. The **Accomplishment and Evaluation Reports** shall be prepared and submitted in accordance with the following schedules:

Report	Submitted By	Submitted To	Due Date of Submission
Accomplishment Report per Operational KPI (Annex B)	Chief, Regional Divisions and RDOs LT District Offices, LTVATAU and LTCED	Regional Director concerned Assistant Commissioner, LTS	**Semestral Report:** On or before **July 25** **Annual Report:** On or before **January 25** of the following year
Consolidated Accomplishment Report on KPI (Annex C)	Regional Directors and ACIR-LTS	MO concerned (ACIRs)	**Semestral Report:** On or before **July 30** **Annual Report:** On or before **January 31** of the following year

BUREAU OF INTERNAL REVENUE
RECORDS & CT. DIVISION
JAN 10 2023
2:45 p.m.
RECEIVED

Report	Submitted By	Submitted To	Due Date of Submission
Evaluation Report on KPI (Annex D)	Measure Owners (ACIRs)	ACIR-PMS Attention: Chief, PPD	**Semestral Report:** On or before **August 25** **Annual Report:** On or before **February 25** of the following year
Consolidated Evaluation Report on KPIs (Annex E)	ACIR-PMS Thru: PPD	CIR All DCIRs	**Semestral Report:** On or before **Sept. 25** **Annual Report:** On or before **March 25** of the following year

IV. REPEALING CLAUSE

This Order supersedes Revenue Memorandum Order No. 25-2022, and all other issuances or portions thereof inconsistent herewith.

V. EFFECTIVITY

This Order takes effect immediately until there shall be amendments/revisions recommended.

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue
001286

B-1

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JAN 10 2023
2:45 pm
MIN-1
RECEIVED

