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

August 31, 2007

REVENUE MEMORANDUM ORDER NO. 23-2007

SUBJECT : Supplemental Provisions on 2007 Audit Program, Providing for Additional Cases That Can be Audited by the Regional Offices/Revenue District Offices.

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

I. Background

The 2007 Audit Program for regional offices/Revenue District Offices (RDOs) has been issued on July 3, 2007 to prescribe policies, guidelines and procedures in the conduct of audit and investigation to enhance taxpayers' voluntary compliance with the end view of meeting the collection target of the Bureau. Despite the numerous cases which were selected to be audited, it appears that collection out of these cases can hardly meet the collection goal for 2007. In order, therefore, to augment collection efforts, this Order is being issued to provide for additional cases that can be audited by the regional offices/RDOs

II. Supplemental Policies

1. The regional offices/RDOs shall be allowed to issue Letters of Authority (LA)/Tax Verification Notices (TVNs), following the threshold stated under Revenue Memorandum Order (RMO) No. 12-2007, for all fiscal year (FY) annual returns which were already filed within the region or due for filing as of August 31, 2007.

2. Value-Added Tax (VAT) Returns covering FY 2006 which were already filed within the region or due for filing as of August 31, 2007, can likewise be subjected to short period audit at the option of the Regional Directors concerned.

3. Audit of the supplemental cases herein enumerated shall start on September 3, 2007.

4. The supplemental cases to be investigated shall likewise be included in the reporting requirements prescribed under RMO 12-2007.

III. Repealing Clause:

All existing revenue issuances or portions thereof which are inconsistent herewith shall be revoked or amended accordingly.

IV. Effectivity

This Order shall take effect immediately.

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