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

June 16, 2008

REVENUE MEMORANDUM ORDER NO. 27-2008

SUBJECT : Amendment to Revenue Memorandum Order (RMO) No. 20-2007 to Synchronize Procedures Prescribed Therein With Requirements Under Revenue Regulations No. 30-2002, as amended by Revenue Regulations No. 8-2004, on the Exercise of the Compromise Power of the Bureau of Internal Revenue

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

The last paragraph of Section 6 of Revenue Regulations No. 30-2002, as amended by Revenue Regulations No. 8-2004, provides-

> "The compromise offer may be paid before or after the approval of the offer of compromise by the Board (NEB or REB), at the option of the taxpayer. In case of disapproval of compromise offer previously paid, the same shall be dealt with in accordance with the prevailing procedures embodied in the Revenue Memorandum Order issued for this purpose, including amendments thereto".

nonetheless, the last paragraph of RMO No. 20-2007 provides for a stricter implementation in the payment of tax under the exercise of compromise power of the Bureau of Internal Revenue. Therefore, there is apparent inconsistency in the procedures prescribed under the two revenue issuances, i.e., Revenue Regulations No. 30-2002, as amended by Revenue Regulations No. 8-2004, and Revenue Memorandum Order No. 20-2007.

In view thereof, the aforesaid inconsistency shall be resolved in accordance with the rules that a Revenue Regulation is higher in category than a Revenue Memorandum Order. Thus, the provisions of Revenue Regulations No. 30-2002, as amended by Revenue Regulations No. 8-2004, prevail over the provisions of Revenue Memorandum Order No. 20-2007, in case of conflict in provisions.

Accordingly, provisions of RMO No. 20-2007 not in consonance with Revenue Regulations No. 30-2002, as amended by Revenue Regulations No. 8-2004, as herein-above discussed are deemed modified.

This Order takes effect immediately.

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