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

June 21, 2016

REVENUE MEMORANDUM ORDER NO. 28-2016

SUBJECT	:	**Policies, Guidelines and Procedures Implementing the Memorandum of Understanding (MOU) between the Home Development Mutual Fund (HDMF) and the Bureau of Internal Revenue (BIR) in Electronic Filing of Tax Returns thru Electronic Bureau of Internal Revenue Forms (eBIRForms) and Issuance of Electronic Certificate Authorizing Registration (eCAR)**
TO	:	**All Internal Revenue Officials, Employees and Others Concerned**

The HDMF referred hereafter as Pag-IBIG Fund and the BIR agreed to work together to provide the necessary support for the use of Electronic Bureau of Internal Revenue Forms (eBIRForms) in the Pag-IBIG Fund's provident and housing loan program and issuance of electronic Certificate Authorizing Registration (eCAR).

Section 1. OBJECTIVES. This Order is aimed to:

1. Prescribe policies, guidelines and procedures to authorize Pag-IBIG Fund to electronically file tax returns (BIR Form Nos. 1606, 1706, 2000-OT, 0605) using eBIRForms and to secure the eCAR in behalf of their member-borrowers;

2. Provide the necessary support and assistance for the use of eBIRForms and computation of related taxes, submission of documents and verification of status of Pag-IBIG account through a special lane, for the issuance of the eCAR; and

3. Improve and accelerate the processing of voluminous transactions of Pag-IBIG Fund which involves the payment of Capital Gains Tax, Documentary Stamp Tax, among others, including the remittance of taxes.

Section 2. GENERAL POLICIES.

1. The Head Office of Pag-IBIG Fund shall create one HDMF email account for all borrowers before the utilization of the eBIRForms System. HDMF shall provide a copy of the eBIRForms eMail confirmation together with the printed copy of the filed return/s to the borrower.

2. An authorized representative of Pag-IBIG Fund shall be delegated by the Chief Executive Officer (CEO) through the issuance of a Special Order.

3. The Pag-IBIG Fund shall secure a written authorization using a Special Power of Attorney (Annex "A") from its member-borrowers to file and remit the taxes payable arising from their transactions with the Pag-IBIG Fund using eBIRForms or other modes of payment

(e.g. mobile payment, debit system, etc.). A member-borrower has an option to file and pay directly the corresponding tax/es prior to the processing by Pag-IBIG.

4. The Pag-IBIG Fund shall ensure submission of complete documents and remittance of correct taxes based on the evaluation of the transactions/documents filed by their member-borrowers.

5. A special lane shall be provided in every frontline services of the BIR for Pag-IBIG Fund transactions every Tuesday and Thursday.

6. The Revenue District Office (RDO) concerned shall allow the Pag-IBIG Fund to secure the eCAR on behalf of its member-borrowers, following existing policies, guidelines and procedures under RMO Nos. 15-2003 and 22-2016, RMC Nos. 76 -2007 and 40-2014. Lists of mandatory Documentary Requirements is prescribed in this issuance (Annex B). The provisions of withholding tax must be complied with, specifically Section 2.57.4 of RR No. 2-98, as amended, where the time of withholding is when paid, or payable, whichever is earlier. Compromise penalties under RMO Nos. 19-2007 or 7-2015 whichever is applicable, and other computation of penalties, if any, shall be in compliance with Section 255 Title X of the Tax Code, as amended.

7. In case of systems downtime and unavailability of the eBIRForms System during deadlines, Pag-IBIG Fund may file the returns printed from the eBIRForms Offline Package manually to the Revenue District Office where the real property is located. However, once the system is available, Pag-IBIG Fund is still required to submit electronically the contents of their manually filed returns within ten (10) days from the date of issuance of announcement of the systems availability thru the BIR website.

Section 3. GUIDELINES AND PROCEDURES.

Pag-IBIG Fund Member-Borrowers shall:

1. Allow the Pag-IBIG Fund Authorized Representative through a Sworn Statement to eFile using eBIRForms System and pay manually the required taxes to the Authorized Agent Banks (AABs) where the real property is located while in the transition to online payment through the Electronic Banking facility-of the AABs.

2. Receive eCAR from the Pag-IBIG Fund Authorized Representative.

Pag-IBIG Fund shall:

1. Give proper authorization to its Authorized Representative through a Special Order issued by the CEO who shall eFile using the eBIRForms System.

2. Download and install the latest eBIRForms Package from the web through the BIR website at www.bir.gov.ph by clicking the eBIRForms icon.

3. eFile the return of the member-borrower electronically.
   3.1 Create a member-borrower Profile by providing a valid Taxpayer Identification Number (TIN), RDO Code, line of business, registered name, registered address, ZIP Code, telephone number and an active email address;
   3.2 Choose from the List of BIR Forms then click FILL UP. Re-enter TIN and email address to confirm that the provided information is correct;

3.3 Accomplish the selected tax return then click VALIDATE button. If there are changes to make, click EDIT button. Make sure to click VALIDATE button after every changes made;

3.4 Click SUBMIT/FINAL COPY button:

3.4.1 If the taxpayer is an eBIRForms user, it shall be required to fully and unconditionally agree to the Terms of Service Agreement (TOSA) by clicking AGREE. A system-generated confirmation email shall be sent to the email address used.

3.5 Print the received system-generated notification thru the provided email address acknowledging the successful filing of return.

3.6 Pay manually to the Authorized Agent Banks (AABs) where the real property is located while in the transition to online payment through the Electronic Banking facility-of the AABs.

4. After payment, visit the RDO Special Lane and request for the issuance of the eCAR by submitting the complete documents to the Officer-of-the Day in accordance with the attached Annexes on documentary requirements in consonance with the several HDMF scenarios under Annex "'C".

5. Receive the eCAR from the BIR.

OFFICER OF THE DAY IN THE RDO shall:

1. Revenue District Office (RDO) having jurisdiction over the place of business of Pag-IBIG Fund shall evaluate and check submission of complete documentary requirements.

COLLECTION SECTION IN THE RDO shall:

1. Verify the collection/payment of internal revenue taxes, if any, in the BIR-ITS Collections and Bank Reconciliation System (CBR) and shall affix his/her signature on the CBR payment verification printout before the eCAR is issued. In case data is not uploaded in the said systems within three (3) working days from the date of payment, the concerned Revenue Officers (ROs) may accept certification of remittance with bank seal from AABs.

2. For no payment returns electronically filed, verification shall be done through the eBIRForms System.

ONETT/ASSESSMENT SECTION of RDO shall:

1. Set up a **Special Lane** every Tuesday and Thursday to assist in the processing and release of the eCAR of the Pag-IBIG Fund borrowers/buyers.

2. Check the completeness of the documents submitted by the Pag-IBIG Fund Authorized Representative.

3. Process the eCAR in accordance with the existing BIR issuances upon submission of the Complete Documentary Requirements (CDR) attached as Annex "B" which would depend on the Pag-IBIG Scenarios per Annex "C" of this Order defining each transaction, number of corresponding transaction and applicable list of Documentary Requirements.

4. Release eCAR to the Pag-IBIG Fund Authorized Representative.

Section 4. REPEALING CLAUSE. All existing rules, issuances or rulings or parts thereof which are contrary to or inconsistent with the provisions of this Order are hereby repealed, modified or amended accordingly.

Section 5. EFFECTIVITY CLAUSE. This Order shall take effect immediately.

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

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