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

June 24, 2016

REVENUE MEMORANDUM ORDER NO. 29-2016

SUBJECT : Revised Uniform Guidelines and Procedures in the Designation, Assignment of RCO Codes and Issuance of Fidelity Bonds for Revenue Collection Officers Authorized to Accept Tax Returns and Collect Tax Payments

TO : All Internal Revenue Officers and Others Concerned

I. BACKGROUND

It has come to the attention of this Office that there are some Revenue Collection Officers (RCOs) who are assigned to receive tax returns and to collect tax payments from concerned taxpayers without the official designation of the authorized revenue officials. This concern has been further aggravated with the reports that there are designated RCOs handling tax collections who are not issued with adequate fidelity bonds duly issued by the Bureau of the Treasury (BTr). Accordingly this Order is hereby issued to address these concerns for purposes of uniformity in the compliance of the provisions thereof, as well as in the strict monitoring by all concerned revenue offices.

II. GUIDELINES AND PROCEDURES

A. Designation and Transfer of RCO/SCO/CO

1. Only revenue personnel (Collection) item shall be designated and assigned as RCO by the applicable approving officer authorized under the provisions of this Order, except revenue personnel designated as Special Collecting Officers who are duly authorized to receive tax collections such as cash proceeds from loose documentary stamps. However, in cases of non-availability of other collection revenue officers to discharge the functions of RCO, non-collection Revenue Officers under the concerned Revenue District Office (RDO) may be designated under the following instances:

    a. Absence of the RCO assigned to his or her designated area due to prolonged sickness, temporary physical disability or duly approved leave of absence;

b. Death or permanent physical disability of the concerned RCO; and

c. Temporary re-assignment to another location of the duly designated RCO.

In case of lack of sufficient number of revenue personnel holding Collection items under the jurisdiction of the district office, the RDO shall ensure the immediate recruitment/assignment of new collection revenue officers, in coordination with the Administrative and Human Resource Management Division (AHRMD) under their respective Revenue Region.

2. The assignment of RCO shall be approved by the revenue officials in accordance to the manner of assignment, as follows:

APPROVING OFFICIAL	MANNER OF ASSIGNMENT
1. Commissioner of Internal Revenue	Transfer of assignment of RCO from one municipality to another municipality, whether under or outside the jurisdiction of the same RDO or Revenue Region
2. Regional Director	Temporary assignment of another RCO due to prolonged sickness, physical disability or duly approved leave of absence of the designated RCO, provided that such temporary assignment will not be more than one (1) month.
3. Revenue District Officer	a. Emergency leave of absence of designated RCO for a short period of not more than five (5) days b. Temporary assignment of revenue personnel as RCOs, whether or not holding collection officer items, who shall accept/assist in the acceptance of "no payment" income tax returns filed by taxpayers during the annual deadline periods.

B. Assignment of Collection Officer Code (otherwise known as the RCO code) and Posting of Fidelity Bond

Prior to the actual performance of the official functions, including the use of the Integrated Tax System (ITS)/Enhanced Tax Information System (eTIS) and Mobile Revenue Collection Officer System (MRCOS) of the duly designated RCOs, the following requirements shall be complied with:

1. The appropriate RCO code shall be assigned to all duly designated RCOs, whether as new, permanent or temporary capacity, by filing the revised request form (Annex "A") prescribed under Revenue Memorandum Order (RMO) No. 4-2007 with the Chief, Collection Programs Division. The same form shall be used for any update and/or change or cancellation in the assignment of the concerned RCO, as prescribed by the same RMO.

2. For all RCOs who shall be assigned to receive and handle internal revenue taxes, including the prescribed remittance thereof to the Authorized Government Depository Bank (AGDB), a fidelity bond shall be requested and issued to the duly designated RCO in the amount of not more than ONE HUNDRED MILLION PESOS (P100,000,000.00), pursuant to the provisions of Treasury Circular No. 02-2009 issued by the BTr.

   For purposes of determining the proper amount of the fidelity bond, whether for the initial bond for newly designated RCO, or for increasing or decreasing the same, the schedule relative to the amount of collection and frequency of deposits prescribed under No. 1.III. Policies and Guidelines of RMO No. 21-2014 shall be strictly observed.

3. In the event that the designated RCO shall have in his/her custody internal revenue taxes prior to depositing the same with the AGDB exceeding the existing amount of the fidelity bond, the appropriate written application for increasing the amount of his/her bond shall be filed with the BTr within twenty four (24) hours immediately after the date of deposit of the said taxes with the AGDB.

4. The applicable provisions of existing Treasury Circulars shall govern the request for the initial fidelity bond, renewal, increase or decrease, as well as the cancellation of the same, including the payment of the corresponding premiums therefor, as well as the enforcement of the said bond when the need thereof arises.

5. The respective AHRMD, in coordination with the Finance Division of the Revenue Regions of this Bureau, shall monitor the amount of the respective fidelity bond of the RCOs under their respective jurisdiction.

   For this purpose, the copies of the Cash Receipts Record prescribed under the provisions of the Government Accounting Manual for National Government Agencies issued by the Commission on Audit covering the days of Monday to Friday of every week shall be transmitted by the Chief, Finance Division to the Chief, AHRMD on Monday of the immediately subsequent week.

III. REPEALING CLAUSE

All revenue issuances or portions thereof which are inconsistent herewith are hereby amended or repealed accordingly.

IV. EFFECTIVITY

This Order shall take effect immediately.

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

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