REPUBLIKA NG PILIPINAS
KAGAWARAN NG PANANALAPI
KAWANIHAN NG RENTAS INTERNAS
Quezon City

October 25, 2005

REVENUE MEMORANDUM ORDER NO. 30-2005

SUBJECT : Guidelines and Procedures for the Issuance of Taxpayer Identification Number (TIN) to SEC Registered Taxpayers Pursuant to Memorandum of Agreement (MOA) Between the Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) in the Implementation of the Electronic Exchange of Information Among Government Agencies.

TO : All Internal Revenue Officials and Employees and Others Concerned

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I. BACKGROUND

Republic Act 8792 or the E-Commerce Act of 2000 mandates the implementation of electronic transactions in the government in order to facilitate the open, speedy and efficient electronic online transmission, conveyance and use of electronic data messages or electronic documents among government agencies.

Pursuant to R.A. 8792, the Bureau of Internal Revenue (BIR) and the Securities and Exchange Commission (SEC) through the use of their respective computer systems have mutually agreed to establish the appropriate link to implement the electronic transmission or exchange of information between them.

As an initial step, the Bureau of Internal Revenue (BIR) and the Securities and Exchange Commission (SEC) agreed to establish a link with the SEC in order to facilitate the issuance of Tax Identification Number (TIN) to Corporations/Partnerships as part of the process of their registration procedures.

II. OBJECTIVES

This order is issued to:

1. Provide guidelines and procedures for the registration of partnerships and corporations with the BIR upon their registration with SEC and upon the issuance of their pre-generated TINs.

2. To facilitate the easy monitoring of SEC registered taxpayers thru the issuance of pre-generated TINs as part of their registration procedures with SEC.

3. Define the roles and responsibilities of all concerned offices.

III. GUIDELINES AND POLICIES

1. Issuance of pre-generated TINs shall cover only new partnership/corporate registrants.

2. Systems Operations Division (SOD) shall assign pre-generated Tax Identification Numbers (TINs) to the Securities and Exchange Commission (SEC).

3. SOD shall issue 4,000 pre-generated TINs which shall be subject to replenishment upon request of SEC whenever eighty percent (80%) of the assigned pre-generated TINs have been utilized.

4. SEC shall issue pre-generated TINs to their registrants and transmit it to BIR with corresponding registration information for uploading to ITS Registration System.

5. SOD shall validate and prepare a request to upload the data from SEC in the BIR Revenue Data Centers (RDCs).

6. Computerized Revenue District Offices (RDOs) shall validate through ITS Registration System newly uploaded corporation based on the documents submitted by the taxpayer.

7. The RDO shall process the registration of the new corporation and shall issue the corresponding Certificate of Registration (COR) and other permits relative to the secondary registration after completion of other documentary requirements.

8. The date of registration shall be effective on the date the pre-generated TIN was issued by SEC to the taxpayer.

9. Corporations found to operate without the necessary registration requirements with the BIR shall be penalized pursuant to Section 258 and 264 of Republic Act 8424.

10. The Revenue Data Center shall generate every 5th day of the following month the "List of SEC Registered Taxpayers with Issued Pre-generated TIN for the Month" (Annex "A") to be e-mailed to the appropriate Revenue District Offices (RDOs) for further processing and monitoring.

IV. PROCEDURES

A. Computerized Revenue District Offices (Com RDOs)

Taxpayer Service Section (TSS) shall:

1. Receive from the SEC registered taxpayer the fully accomplished BIR Form 1903 {Application for Registration for Corporations/Partnerships (Taxable/Non-Taxable) Including Government Agencies and its Instrumentalities (GAIs) and Local Government Units (LGUs)} and certified photocopy of SEC Certificate of Registration (COR) with SEC Registration No. and pre-generated TIN indicated therein;

2. Validate online through the BIR Integrated Tax System (ITS) database if the pre-generated TIN indicated on the SEC COR submitted by the taxpayer is valid and existing;

    a. If existing, update registration information using submitted BIR Form 1903;

    b. If not existing, encode issued pre-generated TIN in the Integrated Tax System (ITS) and all information indicated in the accomplished BIR Form 1903;

3. Require the SEC registered taxpayer to proceed to secondary registration following existing regulations on registration;

4. Receive from RDC systems-generated "List of SEC Registered Taxpayers with Issued Pre-generated TIN for the Month" (Annex "A") and match with the RDO's actual registrants originating from the SEC. In case a SEC registered taxpayer did not register with the bureau, conduct an ocular inspection on the SEC registered business address; and

5. Report to the RDO the aforementioned SEC registered taxpayer for imposition of penalties.

B. Non-Computerized Revenue District Offices (Non-Com RDOs)

Taxpayer Service Section (TSS) shall:

1. Receive from the SEC registered taxpayer the duly accomplished BIR Form 1903 {Application for Registration for Corporations/Partnerships (Taxable/Non-Taxable) Including Government Agencies and its Instrumentalities (GAIs) and Local Government Units (LGUs)} and certified photocopy of SEC Certificate of Registration (COR) with the SEC Registration Number and pre-generated TIN indicated therein;

2. Update the district's stand-alone registration database and the manual records on registration;

3. Validate in the BIR's TIN Verification System (TINVER) if the pre-generated TIN indicated therein is valid and existing;

4. If found to be valid and existing, require SEC registered taxpayer to proceed to secondary registration; if it is not existing in the TINVER, validate existence in ITS through inquiry with SOD, then require taxpayer to proceed to secondary registration following existing regulations on registration after updating the registration records of the home RDO;

5. Upon receipt of all documentary requirements, fax the BIR Certificate of Registration (COR) or the fully accomplished BIR Form 1903 to SOD for update of registration of the taxpayer in the ITS database;

6. Receive thru e-mail the systems-generated "List of SEC Registered Taxpayers with Issued Pre-generated TIN for the Month" (Annex "A") and match with the RDO's actual registrants (stand-alone/manual records) originating from the SEC. In case a SEC registered taxpayer did not register with the BIR, conduct an ocular inspection on its registered business address; and

7. Report to the RDO the aforementioned SEC registered taxpayer for imposition of penalties.

C. Systems Operations Division, Information Systems Operations Service (SOD,ISOS)

1. ***Issuance of Pre-generated TINs***

   1.1 Generate initial 4,000 TINs then forward thru electronic transmission [via Secure File Transfer Protocol (SFTP)] to SEC upon effectivity of this issuance;

   1.2 Check daily if there is a replenishment request for pre-generated TIN from SEC;

   1.3 Validate request of the SEC then replenish pre-generated TIN if 80% of pre-generated TINs issued to SEC have already been issued to taxpayers, if not, coordinate with SEC; and

   1.4 Monitor and control pre-generated TINs issued to SEC.

2. ***Uploading of SEC Registrants to ITS***

   2.1 Check daily if there is a list of SEC registrants transmitted by SEC;

   2.2 Check whether the TIN of the corporation/partnership submitted by SEC corresponds with the series of pre-generated TINs issued to SEC;

   2.3 Encode RDO code and municipality on flat file received above for readiness in uploading in the registration database;

   2.4 Run a script to convert flat file received from SEC into an ITS format for uploading into ITS Registration System; and

   2.5 Fill-up a 'migration form' to request the Database Administrator (DBA) to upload data to ITS.

3. ***Updating and Uploading of SEC registrants for Non-Computerized RDOs***

   3.1 Receive the BIR Certificate of Registration (COR) or fully accomplished BIR Form 1903 for update of registration information in the bureau's ITS database;

   3.2 Check if the pre-generated TIN issued is valid and if it exists in the BIR registration database:

      a. If existing, update registration information using submitted BIR Form 1903 or BIR COR;

      b. If not existing, encode in the registration database the pre-generated TINs issued including all information indicated in BIR Form 1903.

4. ***Updating of TPs address***

   4.1 Check the report generated if there are changes in the addresses of registered taxpayers transmitted by SEC; and

   4.2 Transmit flat file of changes to SEC thru electronic transmission (from server to server) monthly.

D. Database Administrator (DBA)

1. Receive approved migration request to upload SEC data to ITS; and

2. Implement migration request to upload converted flat file transmitted by SOD to ITS database.

E. Revenue Data Center (RDC)

1. Generate every 5th day of the following month "List of SEC Registered Taxpayers with Issued Pre-generated TIN for the Month" per RDO;

2. Forward thru e-mail on or before the 10th day of the following month "List of SEC Registered Taxpayers with Issued Pre-generated TINs for the Month" to concerned Revenue District Offices (RDOs). RDOs that did not confirm receipt thereof within five (5) working days, shall be e-mailed for the second time with a note stating that "This report was e-mailed twice". In case of non-receipt of confirmation, send a hard copy of the report.

V. EFFECTIVITY

This order shall take effect immediately.

(Original Signed)
JOSE MARIO C. BUÑAG
OIC - Commissioner of Internal Revenue

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