REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

October 1, 2020

REVENUE MEMORANDUM ORDER NO. 38-2020

SUBJECT : **Further Amending Revenue Memorandum Order No. 46-2019, as amended by RMO No. 53-2019 on the Prescribed Format of the Report on Specific Reasons for Increase (Decrease) in Collection Performance by Taxpayer, by Industry and by Tax Type (BIR Form No. 1771B) and Summary of Reasons for Drastic Changes in Collection and Impact on Collection Goal by Industry and by Tax Type (BIR Form No. 1771C) of the "Reports on Drastic Changes in Collection Performance"**

TO : **All Internal Revenue Officials and Employees Concerned**

I. OBJECTIVE

This Order is issued to revise the format of the reports on the drastic change in collection performance particularly the Report on Specific Reasons for Increase (Decrease) in Collection Performance by Taxpayer, by Industry and by Tax Type (BIR Form No. 1771B) and the Summary of Reasons for Drastic Changes in Collection and Impact on Collection Goal by Industry and by Tax Type (BIR Form No. 1771C), to provide accurate and relevant information necessary for report analysis and to facilitate easier preparation of the Consolidated Report on Drastic Changes in Collection Performance.

II. AMENDMENT

Part III(A), "**POLICIES and GUIDELINES**" is hereby amended as follows:

A. POLICIES and GUIDELINES

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4. The BIR Form No. 1771B shall be submitted by the RDO/LTRAD/ LTEAD/ELTFOD/LT Divisions – Cebu/Davao to the RCD/LTPMPD on a monthly basis.

   The report shall contain among others, specific reasons for those taxpayers identified and classified under the Taxpayer Account Management Program (TAMP) and those belonging to the medium and ONETT segments that had major contribution to the drastic change in collection performance. The 1771B Form shall include the comparative amount of collection and the goal set for the .

current and as of the cumulative month from identified taxpayers belonging to the industries that had substantial impact on the collection performance of the implementing office. It shall reflect the revenue impact of the current period over the previous period as well as the impact on the collection goal per taxpayer, which shall be indicated in the appropriate columns of Form 1771B. The specific reasons that shall be cited should be duly supported by relevant data/information/documents. The taxpayers shall be ranked for each tax type, from highest to lowest, depending on their contribution to the drastic change in internal revenue tax collection performance.

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5. The BIR Form No. 1771C named as the Summary of Reasons for Drastic Changes in Collection and Impact on Collection Goal by Industry and by Tax Type *(Annex "C")* shall include the comparative amount of collection and the goal set for the current and as of the cumulative month of the industries that had a significant impact on the collection performance by major tax type based on BIR Form No. 1771B submitted by the RDOs/LTRAD/ LTEAD/ELTFOD/LT Divisions – Cebu/Davao. This report shall likewise present the increase/decrease and the excess/shortfall in collection against the previous year and the set goal, respectively, which shall both be shown in peso value and in percentages of growth and goal attainment. **Specific reasons attributable to each industry affecting the drastic change in internal revenue tax collection performance shall be clearly and accurately indicated**.

III. REPEALING CLAUSE

All issuances and orders which are inconsistent herewith are hereby repealed and amended accordingly.

IV. EFFECTIVITY

This Order shall take effect immediately.

CAESAR R. DULAY
Commissioner of Internal Revenue

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