REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

October 12, 2010

REVENUE MEMORANDUM ORDER NO. 77-2010

SUBJECT : *Reportorial Requirements for Late/Out- of-District Returns*

TO : *All Internal Revenue Officers and Others Concerned*

Section 1. Objectives. – Current issuances allow the acceptance by Revenue District Offices (RDOs), Large Taxpayers District Offices (LTDOs) or Large Taxpayers Divisions (LT Divisions) of out-of-district and late tax returns filed without reportorial requirements to the Office of the Commissioner. The said issuances have provided opportunities for tax evasion. In order to achieve effective tax enforcement and administration, and for the proper monitoring of late/out-of-district tax returns, the submission of reports are hereby prescribed.

Section 2. Definition of Terms. – For purposes of this Order, the term "*late*" return refers to a tax return filed beyond the date prescribed under the National Internal Revenue Code (NIRC) and existing rules and regulations. Tax returns filed with check payments made by the taxpayer on due date but received by Authorized Agent Banks (AABs) after the cut-off time/clearing time and reported in the Batch Control Sheet (BCS) the following working day shall not be considered as late returns/late payments.

The term "*out-of-district*" return refers to a tax return filed outside the jurisdiction of the RDO, LTDO, or LT Division where the taxpayer is registered or where the return is required to be filed under the NIRC and existing rules and regulations.

Section 3. Report for Late Returns Filed/Received. – All Revenue District Officers, LTDO and LT Division Chiefs shall prepare and submit a report of late tax returns filed in their jurisdictions. The report shall be under oath executed by the Revenue District Officer, LTDO or LT Division Chiefs in the format prescribed in **Annex A** hereto which contains the taxpayer's name, Tax Identification Number (TIN), address, kind of tax, type of tax return, return period covered, and the date when the return was filed.

The report shall contain a statement that no other late returns were received by the RDO, LTDO or LT Division other than those contained therein. Any late return filed with and received by an RDO, LTDO or LT Division which is not included in the report shall be presumed not to have been filed and shall subject the concerned Revenue District Officer, LTDO or LT Division Chief to sanctions under Section 6 hereof.

If no late returns were filed, the Revenue District Officer, LTDO or LT Division Chief shall likewise submit a report under oath stating that no late returns were filed during the particular period in the format prescribed in **Annex A-1** hereto.

The foregoing reports shall be submitted every fifteenth (15th) and thirtieth (30th) day of the month to the Commissioner of Internal Revenue.

Section 4. Transmittal of Out-of-District Returns. – All Revenue District Officers, LTDO or LT Division Chiefs shall, within five (5) days from receipt thereof, transmit out-of-district returns to the proper RDO, LTDO or LT Division where the subject returns are required to be filed under the NIRC and existing rules and regulations.

Section 5. Report for Out-of-District Returns Received/Transmitted. – All Revenue District Officers, LTDO or LT Division Chiefs shall prepare and submit a report of out-of-district tax returns which they received and subsequently transmitted to the proper RDOs, LTDOs or LT Divisions where the subject returns are required to be filed. The report shall be under oath executed by the Revenue District Officer, LTDO or LT Division Chief in the format prescribed in **Annex B** hereto which contains the taxpayer's name, TIN, address, kind of tax, type of tax return, the return period covered, the date when the return was filed, the RDO/LTDO/LT Division where the return was subsequently transmitted, and the date when the return was transmitted to said RDO/LTDO/LT Division.

The report shall state that no other out-of-district returns were received and transmitted by the RDO/LTDO/LT Division other than those contained in the report. Any out-of-district return received by an RDO/LTDO/LT Division and subsequently transmitted to the proper RDO/LTDO/LT Division which is not included in the report shall be presumed not to have been filed and shall subject the concerned Revenue District Officer, LTDO or LT Division Chief to sanctions under Section 6 hereof.

If no out-of-district returns were received and transmitted, the Revenue District Officer, LTDO or LT Division Chief shall likewise submit a report (under oath) stating that no out-of-district returns were received and transmitted during the particular period in the format prescribed in **Annex B-1** hereto.

All Revenue District Officers, LTDO or LT Division Chiefs of the recipient RDOs/LTDOs/LT Divisions shall likewise prepare and submit a report of out-of-district tax returns which they received from other RDOs/LTDOs/LT Divisions. The report shall be under oath executed by the Revenue District Officer, LTDO or LT Division Chief in the format prescribed in **Annex C** hereto which contains the taxpayer's name, TIN, address, kind of tax, type of tax return, the return period covered, the date when the return was filed, the RDO/LTDO/LT Division from where return was received, and the date when the return was received.

The report shall state that no other returns were received by the RDO/LTDO/LT Division other than those contained in the report. Any return received by an RDO/LTDO/LT Division which is not included in the report shall be presumed not to have been filed and shall subject the concerned Revenue District Officer, LTDO or LT Division Chief to sanctions under Section 6 hereof.

If no out-of-district returns were received, the Revenue District Officer, LTDO or LT Division Chief shall likewise submit a report (under oath) stating that no out-of-district returns were received during the particular period in the format prescribed in **Annex C-1** hereto.

The foregoing reports shall be submitted every fifteenth (15th) and thirtieth (30th) day of the month to the Commissioner of Internal Revenue.

Section 6. Sanctions. – The failure of Revenue District Officers, LTDO or LT Division Chiefs to submit the reports required under this Order shall subject them to administrative liabilities. The same shall

be considered as inefficiency and incompetence in the performance of their official duties which constitutes as Grave Offense(s) under Section 11 (Enforcement of BIR Policies and Programs) of the Revised Code of Conduct for BIR Officials and Employees, as promulgated under RMO No. 53-2010.

Should there be late or out-of-district tax returns filed but are not included in the reports required under this Order involving taxpayers with filed and/or pending cases/investigation will likewise subject the erring Revenue District Officer, LTDO or LT Division Chief, revenue officers and employees to appropriate criminal charges by being impleaded as principal by indispensable cooperation.

Section 7. Repealing Clause. – All other issuances and/or portions thereof inconsistent herewith are hereby repealed or amended accordingly.

Section 8. Effectivity Clause. – This Order shall take effect immediately.

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