REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
**BUREAU OF FINANCE**
Quezon City

May 19, 2004

# REVENUE REGULATIONS NO. 8-2004

**SUBJECT : Revenue Regulations Implementing Sections 7( c), 204 (A) and 290 of the National Internal Revenue Code of 1997 on Compromise Settlement of Internal Revenue Tax Liabilities Superseding Revenue Regulations Nos. 7-2001 and 30-2002.**

**TO : All Internal Revenue Officers and Others Concerned.**

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**SECTION 1. SCOPE AND OBJECTIVES. –** Pursuant to Section 244 of the National Internal Revenue Code of 1997 (Code), these Regulations are hereby promulgated for the purpose of implementing Sections 7 ( c ), 204 (A) and 290 of the same Code, superseding Revenue Regulations (RR) Nos. 7-2001 **and 30-2002** and giving an authority to the Commissioner of Internal Revenue to compromise the payment of internal revenue tax liabilities of certain taxpayers with outstanding receivable accounts and disputed assessments with the Bureau of Internal Revenue and the Courts.

**SECTION 2. BASIS FOR ACCEPTANCE OF COMPROMISE SETTLEMENT.** Sec. 3 of Revenue Regulations No. 30-2002 is hereby amended to read as follows:

"**SEC. 3. BASIS FOR ACCEPTANCE OF COMPROMISE SETTLEMENT. –** The Commissioner may compromise the payment of any internal revenue tax on the following grounds:

**1.** Doubtful validity of the assessment. – X X X

( a ) X X X
( b ) X X X
( c) X X X
(d) X X X

(e) X X X
(f) X X X
(g) X X X

**(h)** The assessment was issued within the prescriptive period for assessment as extended by the taxpayer's execution of Waiver of the Statute of Limitations the validity or authenticity of which is being questioned or at issue and there is strong reason to believe and evidence to prove that it is not authentic; **or**

**(i)** **The assessment is based on an issue where a court of competent jurisdiction made an adverse decision against the Bureau, but for which the Supreme Court has not decided upon with finality.**

**2.** X X X ."

**SECTION 3. REPEALING CLAUSE.-** These Regulations supersede Revenue Regulations Nos. **7-2001 and 30-2002**. All other issuances inconsistent with the provisions of these Regulations are hereby amended, modified or repealed accordingly.

**SECTION 4. EFFECTIVITY.** – The provisions of these Regulations shall take effect after fifteen (15) days following publication in any newspaper of general circulation except for cases the compromise of which have been confirmed by the Secretary of Finance in which case these Regulations shall take effect immediately upon publication.

(Original Signed)
**JUANITA D. AMATONG**
Secretary of Finance

Recommending Approval:

(Original Signed)
**GUILLERMO L. PARAYNO, JR.**
Commissioner of Internal Revenue