REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

September 21, 2015

REVENUE REGULATIONS NO. 10-2015

SUBJECT : USE OF NON-THERMAL PAPER FOR ALL CASH REGISTER MACHINES (CRMs) / POINT-OF-SALES (POS) MACHINES AND OTHER INVOICE / RECEIPT GENERATING MACHINE / SOFTWARE

TO : All Business Establishments, Internal Revenue Officials and Employees and Others Concerned

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SECTION 1. SCOPE. – Pursuant to the provisions of Section 244, in relation to Sections 203, 222 and 235 of the National Internal Revenue Code of 1997 (NIRC), as amended, these Regulations is hereby promulgated to mandate the use of **Non-thermal paper** for all CRM/POS and other invoice/receipt-generating machine/software.

SECTION 2. BACKGROUND. – Pursuant to Section 1 of Revenue Regulations No. 5-2014, which states that:

"**Section 1**. Section 2 of Revenue Regulations No. 17-2013 is hereby amended to read as follows:"

"xxx

***Section 2. RETENTION PERIODS.** – All taxpayers are required to preserve their books of accounts, including subsidiary books and other accounting records, for a period of **Ten (10) years** reckoned from the day following the deadline in filing a return, of if filed after the deadline, from the date of the filing of the return, for the taxable year when the last entry was made in the books of accounts.*

The term "other accounting records" includes the corresponding invoices, receipts, vouchers and returns, and other source documents supporting the entries in the books of accounts. They should also be preserved for a period of Ten (10) years counted from the date of last entry in the books to which they relate.

xxx"

Further, in relation to Section 5.2 of Revenue Regulations No. 11-2004, which states that:

"5.2 For Cash Register Machines:

*xxx… Provided, that all tape receipts issued, and the data printed on the receipts, are of a quality that can be preserved for a period within which the Commissioner is authorized to make an assessment and collection of taxes, **as prescribed in Sections 203 and 222 of the National Internal Revenue Code, as amended.***

xxx"

SECTION 3. NEW BUSINESS REGISTRANTS WITH CRM/POS/OTHER SIMILAR MACHINES/SOFTWARE. – All new business registrants with CRM / POS / other similar machines/software with built-in printer for their transactions shall use non-thermal paper only.

SECTION 4. EXISTING REGISTERED TAXPAYERS WITH CRM/POS/OTHER SIMILAR MACHINE/SOFTWARE USING THERMAL PAPER. – Considering the associated costs of transitioning

to non-thermal paper, a tiered compliance structure is hereby put in place to allow concerned taxpayers to meet compliance requirements over a three (3) year-period (3 years depreciable life). Accordingly, all existing taxpayers with CRM/POS/other similar machines/software using thermal paper for their daily transactions are subject to the herein prescribed staggered implementation dates, to wit:

For those subject machines registered starting:	Staggered Implementation Dates:
July 1, 2014 onwards	On or before July 1, 2018
July 1, 2013 – June 30, 2014	On or before July 1, 2017
Prior July 1, 2012 – June 30, 2013	On or before September 1, 2016

SECTION 5. INFORMATION THAT SHALL APPEAR AT THE OFFICIAL RECEIPTS/SALES INVOICES/OTHER COMMERCIAL INVOICES (ORs/SIs/CIs) GENERATED FROM CRM/POS/OTHER SIMILAR MACHINES/SOFTWARE. – The ORs for sales of services or SIs/CIs for sales of goods generated from CRM/POS/other similar machines/software, shall be printed showing among others the following:

1. Taxpayer's (TP) Registered Name;
2. TP's Business Name/style (if any);
3. A statement that the taxpayer is VAT or Non VAT registered followed by the Taxpayers Identification Number (TIN) and 4-digit Branch Code.(Example: VAT Registered TIN 123-456-789-0000);
4. Machine Identification Number (MIN);
5. Detailed Business address where such ORs/SIs/CIs shall be used/located;
6. Date of transaction;
7. Serial Number of the OR/SI/CI printed prominently;
8. A space provided for the Name, Address and TIN of the buyer;
9. Description of the items/goods or nature of service;
10. Quantity;
11. Unit cost;
12. Total cost;
13. VAT amount (if transaction is subject to 12% VAT);
14. If the VAT taxpayer is engaged in mixed transactions, the amounts involved shall be broken down to: VATable Sales, VAT Amount, Zero Rated Sales, and VAT Exempt Sales;
15. For Non-VAT ORs/SIs and other CIs (VAT or Non-VAT) such as delivery receipts, order slips, purchase orders, provisional receipts, acknowledgment receipts, collection receipts, credit/debit memo, job orders and other similar documents that form part of the accounting records of the taxpayer and/or issued to their customers, in addition to the above-enumerated applicable information, the phrase "**THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAX**" in bold letters, shall be conspicuously printed at the bottom of the Non VAT ORs/SIs and other CIs;
16. Taxpayers whose transactions are not subject to VAT or Percentage Tax shall issue non-VAT principal receipts/invoices indicating prominently at the face of such receipts/invoices the word "EXEMPT".
17. If the taxpayer is subject to percentage tax under Title V of the NIRC, as amended, but also sells goods/services under Section 109 (A) to (W), excluding (E) of the same Code, as amended by Republic Act No. 10378, the non-VAT principal receipts/invoices shall indicate the breakdown of Sales Subject to Percentage Tax (SSPT) and Exempt Sales;

The following information shall be printed at the bottom portion of the OR/SI/CI:

1. Name, address and TIN of the accredited supplier of CRM/POS/other similar machines/software;
2. Accreditation number and the date of accreditation (date issued "mm/dd/yyyy" and valid until "mm/dd/yyyy") of the accredited supplier;
3. BIR Final Permit to Use (PTU) Number;

4. The phrase "**THIS INVOICE/RECEIPT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE.**"

For taxpayers transacting with Senior Citizen/s (SC/s) and/or Person/s With Disability (PWD) pursuant with Republic Act No. 9994 known as "Expanded Senior Citizens Act of 2010", in addition to the information enumerated above, a space for the following shall also be required:

1. Senior Citizen/PWD TIN;
2. OSCA ID No./PWD ID No.;
3. Senior Citizen Discount/PWD Discount (show detailed breakdown of 20% discount and/or 12% VAT exempt); and
4. Signature of the Senior Citizen/PWD.

However, for taxpayers whose transactions are not covered by RA 9994, the above information may not be indicated.

SECTION 6. TAXPAYERS USING CRM/POS LINKED TO COMPUTERIZED ACCOUNTING SYSTEM (CAS) WITH OPTION TO SEND ELECTRONIC MAIL TO CLIENT-TAXPAYERS. – All existing taxpayers issuing receipts/invoices generated thru CRM/POS/other similar machine/software (using thermal paper or otherwise), including those connected to a network or linked to CAS or component(s) thereof, generating electronic receipts, shall be covered by the requirements set forth under Section 4 and 5 hereof.

SECTION 7. PENALTIES. – Any violation of these Regulations shall be subject to the corresponding penalties under the pertinent provisions of the NIRC of 1997, as amended, and applicable Revenue issuances of the BIR.

SECTION 8. TRANSITORY PROVISIONS. - In order to provide ample time in procuring, reconfiguring machines and systems, to comply with Section 5, adjustments shall be undertaken on or before October 1, 2015. Any extension due to enhancements of systems required to be undertaken abroad shall seek the approval from the concerned Regional Director or ACIR, Large Taxpayer Service which shall not be longer than six (6) months from the effectivity of these Regulations.

SECTION 9. REPEALING CLAUSE. – The provisions of any existing regulations, rulings or orders, or portions thereof inconsistent with the provisions of these Regulations are hereby revoked, repealed or amended accordingly.

SECTION 10. EFFECTIVITY. – This Regulations shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

(Original Signed)
CESAR V. PURISIMA
Secretary of Finance

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