

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

May 8, 2003

REVENUE MEMORANDUM ORDER NO. 32-2003

TO : The Regional Directors, Revenue District Officers of Computerized Sites, RDC Heads and Others Concerned.

SUBJECT : Amending Revenue Memorandum Order No. 4 - 2002 by Providing further Policies, Guidelines and Procedures in the Implementation of the Taxpayer Account Management Program for Operations (TAMP) under the ITS Sustainability for Operations Project in Relation to Revenue Memorandum Order No. 18 – 2002 on the Handling of Stop-Filer Cases, among others.

I. OBJECTIVES

1. To further strengthen the institutionalized Taxpayer Account Management Program (TAMP) in the Operations Group;
2. To widen the coverage of TAMP in the Non-Large Taxpayers Segment of the computerized Regional and District Offices;
3. To prescribe new Key Performance Indexes (KPIs) to certain activities of the Revenue District Offices;
4. To address other issues raised after the initial implementation of RMO 4 – 2002 and RMO 18 – 2002.

II. POLICIES

1. Document processing is vital in generating accurate, complete and timely data useful to top management and other stakeholders for decision making. To sustain reliability of data, backlog in document processing, specifically on data entry should be kept at tolerable level.

2. Suspense resolution and error handling in CBR with a KPI of –1% and RPS with –5% KPI have attained new dimensions never before thought of prior to the implementation of TAMP. Success rating for all the computerized RDOs including LTS, ETS and LTDOs (44 in all) is 93.18% for CBR with some RDOs at zero (0%) backlog and RPS is 84.09% as at end of April , 2002 for the first set of 1,000 top taxpayers of the RDOs thus paving the way for the roll-out of the next set of top taxpayers;
3. Resolution of Multiple/Identical TINs has been successfully done by the RDOs even in the non-computerized sites and what remains is a low level of inventory yet to be resolved for one reason or another and occasionally increased by the issuance of pre-generated TINs.
4. Resolution of stop-filer cases among the top taxpayers of each computerized RDO is a priority, however, stop-filer cases of the non-top taxpayers have been relegated to low priority status. The Returns Compliance System (RCS) has detected who among the top taxpayers have not filed their returns and paid the taxes due on deadlines but not among the non-top taxpayers where a possible scam can occur, therefore, an urgent need to expand coverage of all registered business taxpayers under RCS;
5. The Bureau has spent a substantial amount in the production of plastic TIN Cards for all registered taxpayers throughout which were forwarded to the various RDOs for releasing to their respective taxpayers. However, thousands upon thousands of these TIN Cards are still in the inventory of undistributed or unreleased plastic TIN Cards for whatever reason. This is a serious concern that should be addressed by every RDO.

III. PROCEDURES

1. REVENUE DATA CENTERS (RDCs) shall –
 - a. Continue to monitor weekly the performance on document processing of all RDOs to insure that all returns received by the District are duly processed and properly encoded and that back Log on data entry are kept at a tolerable level;
 - b. Monitor weekly the suspense rate on CBR and RPS not only of the top taxpayers but all business taxpayers of the District who are filing their returns and paying their taxes regularly;

- c. Monitor weekly the resolution of all multiple and identical TIN cases forwarded by System Operation Division (SOD), ISOS to the RDOs with the prescribed KPIs;
- d. Monitor stop-filer cases separately for the top taxpayers and non-top taxpayers weekly as both have separate prescribed KPIs. Follow the same procedure prescribed under RMO 18 – 2002;
- e. Monitor the inventory of all unreleased plastic TIN Cards forwarded by SOD to all RDOs for distribution to taxpayers in their respective jurisdictions.

2. REVENUE DISTRICT OFFICES (RDOs) shall –

- a. Ensure that all returns received from the Authorized Agent Banks (AABs); directly from taxpayers, for no payment returns and from other RDOs, for out-of-district returns are processed immediately and data entry backlog are kept within prescribed level;
- b. Resolve all suspense cases for CBR and RPS. While the top taxpayers have the priority in suspense resolution, the rest of the taxpayer population which are the non-top shall also be resolved and separately monitored with a different KPI;
- c. Resolve all cases of multiple/identical TINs forwarded by SOD to the RDO with a weekly status report in accordance with the KPI;
- d. Resolve all stop-filer cases. Revenue Officers (Assessment) shall continue to resolve stop-filer cases as required by RMO 4 – 2002 for the top taxpayers of the District and the stop-filer cases for the non-top taxpayers of the District shall be resolved by the Revenue Officers (Collection) of the RDO. Separate KPIs are prescribed top and non-top taxpayers.
- e. Release all plastic TIN Cards forwarded by SOD to RDOs for taxpayers of the District.

3. SYSTEM OPERATIONS DIVISION (SOD), ISOS shall -

- a. Forward all cases of multiple/identical TINs to all RDOs

concerned. A weekly status report shall be furnished all RDCs, RDOs, and others concerned for information and monitoring;

- b. Forward all plastic TIN Cards produced to respective RDOs for releasing to their registered taxpayers. Status report on inventory of undistributed plastic TIN Cards shall be released on regular basis to keep tract of this activity.

4. ITS SUSTAINABILITY FOR OPERATIONS TASK FORCE shall –

- a. Consolidate all reports of the various RDCs on the performance of all computerized RDOs, LTS, ETS and LTDOs on a weekly basis for all activities with prescribed KPIs under RMO 4 – 2002 and this Amending Revenue Memorandum Order;
- b. Rank all RDOs on the result of their performance for each activity covered by RMO 4 – 2002 and this Memorandum;
- c. Prepare a summary report of all activities indicating the RDO Top Three Performers and the Bottom Three Performers;
- d. Require the Project Manager of the Task Force to submit the consolidated report to the Deputy Commissioners (ISG, Operations and LTS) and the MANCOM weekly for evaluation and appropriate action.

IV. KEY PERFORMANCE INDICATORS (KPIs)

1. DOCUMENT PROCESSING

Formula: $\frac{\text{Returns Encoded}}{\text{Total Returns Received}} \times 100$ 75 %

2. ERROR RESOLUTION

a. CBR

1. Top Taxpayers -1 %

2. Total Registered Business Taxpayers 5 %

b. RPS

1. Top Taxpayers - 5 %

2. Total Registered Business Taxpayers 10 %

Formula:

$$\text{Error Resolved} / \text{Total Suspense} \times 100$$

3. MULTIPLE / IDENTICAL TINS

a. Non – Individuals (Corporations) 100 %

b. Individuals 80 %

Formula:

$$\text{Cases Resolved} / \text{Cases Received} \times 100$$

4. STOP-FILER CASES (RCS)

a. Top Taxpayers 80 %

b. Non – Top Taxpayers 50 %

Formula:

$$\text{Cases Resolved} / \text{Cases Assigned} \times 100$$

5. PLASTIC TIN CARDS

Formula:

$$\text{Cards Released} / \text{Total Cards Received} \quad 100\%$$

V. REPEALING CLAUSE

All revenue issuances or pertinent provisions thereof inconsistent with the provisions of this Order are hereby amended / revoked / modified accordingly.

VI. EFFECTIVITY

This Order shall take effect immediately.

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