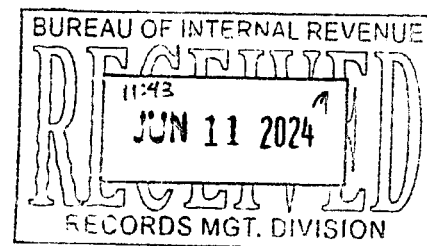




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

National Office Building
Quezon City

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March 01, 2024

REVENUE MEMORANDUM ORDER NO. 21-2024

TO : All Internal Revenue Officials and Employee Concerned
SUBJECT : Reclassification of Revenue District Offices

I. OBJECTIVES:

This Order is issued to:

1. Update the classification of Revenue District Offices (RDOs);
2. Serve as input for staffing and other purposes; and
3. Aid in the effective enforcement of the internal revenue laws and regulations.

II. DATA USED AND METHODOLOGY

1. Data by Implementing Office

- a. Percentage share of average RDO collection to total average BIR collection for the three-year period, CY 2020 – CY 2022 (Source: Actual Collection from Revenue Accounting Division (RAD), as reconciled with the Bureau of the Treasury, as of March 14, 2023);
- b. Percentage share of RDO number of active registered taxpayers to total BIR number of active registered taxpayers for CY 2022 (Source: ISDOS, ISG, as extracted as of December 14, 2023);
- c. Percentage share of RDO average number of transactions per Queueing System to total BIR number of transactions, CY 2022 – CY 2023 (Source: Client Support Service, as of January 25, 2024);
- d. Percentage share of RDO number of tax returns filed to total BIR number of tax returns filed, CY 2022 (Source: ISDOS, ISG, as extracted as of December 14, 2023); and
- e. RDO number of Electronic Certificates Authorizing Registration (eCARs) Issued from Real/Personal Property Transactions to total BIR number of eCARs, January-November, 2023 (Source: Assessment Service, as extracted as of December 18, 2023).

2. Methodology

The Class Indicator (CI) of each RDO (Annex A) is the sum of the following:

- a. Thirty percent (30%) of the percentage share of average RDO collection to average total BIR collection;
- b. Twenty percent (20%) of the percentage share of RDO's number of active registered taxpayers to total BIR number of active registered taxpayers;
- c. Twenty percent (20%) of the percentage share of average RDO number of transactions per Queueing System to average total BIR transactions; and
- d. Thirty percent (30%) of the percentage share of RDOs number of tax returns filed to total BIR number of tax returns filed.

Formulas:

$CI = X_1 + X_2 + X_3 + X_4$, where

$$X_1 = \left\{ \frac{\text{Percentage share of average RDO Collection}}{\text{Average total average BIR collection}} \times 100 \right\} \times 30\%$$

$$X_2 = \left\{ \frac{\text{RDO Number of Active Registered Taxpayers}}{\text{BIR Total Number of Active Registered Taxpayers}} \times 100 \right\} \times 20\%$$

$$X_3 = \left\{ \frac{\text{Percentage share of average RDO Number of Transactions}}{\text{Average total BIR Number of Transactions}} \times 100 \right\} \times 20\%$$

$$X_4 = \left\{ \frac{\text{RDO Number of Returns Filed}}{\text{BIR Total Number of Returns Filed}} \times 100 \right\} \times 30\%$$

3. Distribution of Revenue District Offices by Class (General)

It was predetermined that there shall be five (5) classes of RDOs, A, B, C, D, and E under the revised classification. These classes shall apply to all RDOs except for the purpose of One-time Transaction (ONETT) Section. The number of RDOs per class were normally distributed using CI.

The following table shows the distribution of RDOs by class.

DISTRIBUTION OF REVENUE DISTRICT OFFICES BY CLASS

CLASS	NO. OF RDOs
A	17
B	29
C	37
D	28
E	13
TOTAL	124

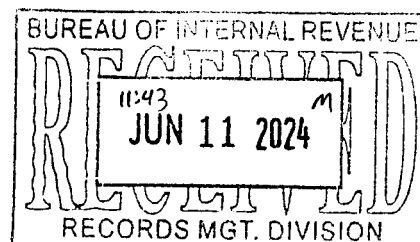
4. Distribution of Revenue District Offices by Class for ONETT Section

There shall be five (5) classes of RDOs, A, B, C, D, and E for purposes of ONETT Section. The RDO number of Electronic Certificates Authorizing Registration (eCARs) issued (as of November 2023) was the criteria used to determine the class by RDO wherein:

- Class A - with eCARs issued above 15,000
- Class B - with eCARs issued above 6,000 but not exceeding 15,000
- Class C - with eCARs issued above 3,000 but not exceeding 6,000
- Class D - with eCARs issued above 1,000 but not exceeding 3,000
- Class E - with eCARs issued 1,000 and below

DISTRIBUTION OF REVENUE DISTRICT OFFICES BY CLASS (ONETT SECTION)

CLASS	NO. OF RDOs
A	12
B	32
C	40
D	26
E	14
TOTAL	124



III. RDO CLASSIFICATIONS

The list of RDOs with their corresponding general classifications is attached (Annexes A and B) and ONETT Section (Annexes C and D) of this Order.

IV. UPDATING OF REVENUE DISTRICT CLASSIFICATION

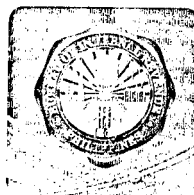
RDO Classification shall be updated when necessary but not sooner than three (3) years.

V. REPEALING CLAUSE

This Order repeals all existing issuances that are inconsistent herewith.

VI. EFFECTIVITY

This Order takes effect immediately.




ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

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