

October 16, 2001

## **REVENUE REGULATIONS NO. 15-2001**

**SUBJECT : Revised Regulations on the Manner of Purchase and Affixture or Payment of Documentary Stamp Tax on Documents/Facilities Evidencing Taxable Transactions.**

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

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**SECTION 1. SCOPE.** - Pursuant to Section 244, in relation to Section 200 of the National Internal Revenue Code of 1997 (Code), these Regulations are hereby promulgated to prescribe the manner of purchase and affixture or payment of documentary stamp tax on documents/facilities evidencing taxable transactions.

### **SEC. 2. MANNER OF PAYMENT OF DOCUMENTARY STAMP TAX (DST). -**

**2.1 In General.** - The payment of the documentary stamp tax due on any taxable document/transaction, irrespective of the amount thereof, shall be made by the filing of a tax return and the payment of the tax in accordance with the existing rules and regulations. Provided, however, that if the amount of DST due on a taxable document/transaction is P15 or less, the taxpayer has the option to pay the DST due by way of purchasing loose documentary stamps in the manner provided for under Subsection 2.2.1 hereof.

This general manner of payment is commonly known as “*constructive stamping of DST on the taxable document/facility evidencing the transaction*” or the “*receipt system*” whereby constructive affixture is done by affixing to the taxable document/ facility evidencing the transaction the duplicate copy or certified true copy of the DST

return/proof of payment of DST. Under this payment system, advance purchase of DST for future application is not allowed.

**2.2 Exceptions.** - In lieu of constructive stamping, Section 200(D) of the Code, however, allows the payment of DST imposed in Title VII thereof either through the purchase and actual affixture of loose documentary stamps or by imprinting of stamps through a documentary stamp metering machine (conventional electro-mechanical documentary stamp metering machine or on-line electronic DST imprinting machine) of the proper value to the document or facility evidencing a transaction sought to be taxed, subject to the following conditions:

**2.2.1 Purchase and Actual Affixture of Loose Documentary Stamps.** - Any person may purchase from Revenue Collection Officers/Deputized Municipal Treasurers loose documentary stamps not exceeding P200 for future application upon taxable documents/ facilities evidencing the transactions, provided, that such loose documentary stamps shall be allowed to be used only when the amount of DST due on a taxable document/transaction does not exceed P15.

The cancellation of the documentary stamp affixed to the taxable documents must be done by writing two lines across the stamp and portion of the document/facility evidencing the transaction to which it is affixed, and indicating the date of affixture thereto by perforation as to render it unreusable; and

**2.2.2 Imprinting/Affixture of DST through Documentary Stamp Metering Machine.** - Purchase of documentary stamps for future applications not covered by Subsections 2.1 and 2.2.1 above shall be allowed only to persons authorized to use the conventional electro-mechanical BIR Registered Metering Machines under Revenue Regulations No. 7-92 (RR 7-92) and those classes of taxpayers which are mandated by Revenue Regulations No. 9-2000 (RR 9-2000) and subsequent regulations and orders to use the “on-line electronic DST imprinting machine” in the payment of their DST.

Provided, that once a taxpayer has been granted by the BIR the authority to use the documentary stamp metering machine (whether conventional electro-mechanical documentary stamp metering machine or on-line electronic DST imprinting machine), the payment of DST on all of the transactions of such taxpayer, irrespective of the amount of DST due on each taxable document/transaction (i.e., even DST due is P15 or less) shall

be done in the manner herein provided, i.e., through the conventional electro-mechanical DST metering machine or on-line electronic DST imprinting machine, as the case may be, until such time that the permit to use DST metering machine is revoked, and that the use of the DST metering machine is no longer mandatory to the industry/business in which the taxpayer belongs.

Provided, further, that in the case of taxpayers authorized/required to use DST metering machines, two or more branches but not exceeding four (4) branches of such taxpayers may be allowed to use only one (1) DST metering machine, subject to the following conditions:

- 2.2.2.1 The head office of the taxpayer/entity shall identify the branches which shall utilize the specified unit of DST metering machine and shall furnish the BIR with the list of the same;
- 2.2.2.2 Only the branches identified to the specific unit of DST metering machine are allowed to use such unit for their respective DST affixtures;
- 2.2.2.3 In no case shall one branch be an identified user to more than one (1) DST metering machine;
- 2.2.2.4 The purchase of documentary stamps to be loaded on to the machine shall be made by filing the Documentary Stamp Declaration /Return (BIR Form No. 2000) and paying the corresponding amount of DST purchased; and
- 2.2.2.5 The Documentary Stamp Tax Declaration/Return (BIR Form No. 2000) as well as the supporting details of DST usage under Schedule 1 thereof, subject of current replenishment/purchase, shall be accomplished on a per machine basis, unless the Commissioner of Internal Revenue (Commissioner) otherwise provides.

**SEC. 3. MEDIUM OF AFFIXTURE OR PAYMENT OF DST ON CERTAIN TAXABLE DOCUMENTS/ TRANSACTIONS. -**

- 3.1. In case of warehouse receipts, certificates of stocks and/or contract of stock subscription, passage tickets and other documents having stubs or duplicates kept by the persons issuing them, the DST shall be affixed to the stubs or to the duplicates thereof. For shares of stock sold without a certificate issued, affixture shall be made to the memorandum of sale or purchase or confirmation slip or its equivalent;
- 3.2 In meritorious cases involving the issuance of numerous shares of stock at one time, the Commissioner may, in his discretion, authorize the affixture of stamps to the stock and transfer book/register;
- 3.3 With respect to checks drawn against current account, manager's/cashier's /treasurer's checks, the documentary stamps shall be affixed to the requisition/purchase slip;
- 3.4 With respect to insurance policies, the documentary stamps shall be affixed to the premium register or its equivalent;
- 3.5 With respect to taxable transactions of banks, the documentary stamps shall be affixed to the proof sheets of each department; and
- 3.6 With respect to airline and shipping companies, affixture of documentary stamp shall be to the cargo manifests, on a per flight/trip basis, instead of affixture to each and every cargo airway bill/ bill of lading and that the cargo manifests containing all the airway bills/bills of lading issued shall be numbered consecutively.

A note, properly initialed by a responsible person, on the face of the document or facility evidencing the taxable transaction shall be made as follows "Documentary stamps to the value of Php\_\_\_\_\_ have been affixed to the stubs or to the duplicate, memorandum of sale or confirmation slip, the requisition/purchase slip, the register copy, stock and transfer book, premium register, proof sheet, or cargo manifest, as the case may be." Provided, however, that where the use of DST metering machine, whether conventional electro-mechanical documentary stamp metering machine or on-line electronic DST imprinting machine, for the imprinting of DST on taxable documents or instruments is permitted by the Commissioner or mandated by law and regulations, the provisions in Subsection 2.2.2 hereof shall apply.

**SEC. 4. RETIREMENT OF ELECTRO-MECHANICAL DST METERING MACHINES IN CERTAIN INSTANCES.** – Taxpayers covered by RR 9-2000 currently using conventional electro-mechanical documentary stamp metering machines shall shift to the on-line electronic DST imprinting machines. The remaining DST balance therein may be transferred to the on-line electronic DST imprinting machine only upon the approval of the Commissioner or his duly authorized representative.

**SEC. 5. REPEALING CLAUSE.** - All existing rules and regulations or rulings or portions thereof which are contrary to or inconsistent with the provisions of these Regulations are hereby amended, modified or repealed accordingly.

**SEC. 6. EFFECTIVITY CLAUSE.** - These Regulations shall take effect fifteen (15) days after publication in a newspaper of general circulation.

(Original Signed)  
**JOSE ISIDRO N. CAMACHO**  
Secretary of Finance

Recommending Approval:

(Original Signed)  
**EDMUNDO P. GUEVARA**  
Deputy Commissioner of Internal Revenue  
Officer –in-Charge