

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

July 23, 2013

REVENUE MEMORANDUM ORDER NO. 23-2013

SUBJECT : Guidelines And Procedures for the Implementation of the Electronic Official Register Book (eORB) System

TO : The Assistant Commissioner - Large Taxpayers Service
Head Revenue Executive Assistant- Excise Large Taxpayers Group
Chiefs, Excise LT Field Operations Division, Excise LT Regulatory Division
and LT Performance and Programs Monitoring Division and Others
Concerned

I. OBJECTIVES

- A. Implement the use of the electronic Official Register Book (eORB) System prescribed under Revenue Regulations (RR) No. 3-2013 dated January 24, 2013 to replace the manual preparation of ORBs and submission of transcripts thereof by all taxpayers dealing with tobacco products.
- B. Provide uniform policies and procedures on the processing of electronically filed enrolment forms and submitted eORB Forms including any amendment.
- C. Prescribe the reporting requirements for the effective control and monitoring of all processed enrolment forms and eORB Forms.
- D. Delineate the duties and responsibilities of all BIR offices and revenue personnel using or accessing the eORB System.

II. SCOPE

The eORB System shall be initially implemented in the major tobacco companies identified by the BIR. Subsequently, a Notice of eORB Implementation shall be issued to other tobacco companies.

III. DEFINITION OF TERMS

- A. **eORB TS** - a stand-alone application that can be downloaded by registered taxpayers from the eORB XTS for purposes of encoding the details of data sources such as *ODI/GUIA, ETRD, IEIRD, Purchase Order, and Sales Invoice forms*. This application shall likewise enable the taxpayer to submit electronically to the BIR the ORB forms that are generated from the encoded details of data sources.

- B. eORB XTS** - a web-based application which maintains codes table values used by eORB TS and allows the BIR to receive electronically submitted ORB forms from the taxpayers. This application is likewise capable of generating compliance reports, discrepancy reports, and collection reports.

IV. POLICIES

- A. Authorized users shall access the eORB System through the eORB icon located at the BIR website, www.bir.gov.ph.
- B. The process owner of the eORB system shall be the Large Taxpayers Service with the Chief of Excise LT Field Operations Division (ELTFOD) as the designated authorized approving officer.
- C. The authority of the Chief, ELTFOD shall include the approval of the enrolment form as well as the approval of any amendment to the submitted eORB forms and excise tax deposits.
- D. The Excise LT Regulatory Division (ELTRD) shall encode/update into the eORB System all the pertinent information contained in the approved Permit to Operate and registration permits for brand of tobacco products within twenty four (24) hours immediately upon approval of the application.
- E. The LT Performance Monitoring and Programs Division (LTPMPD) shall generate and download/print removal and collection reports generated by the eORB System for purposes of preparing excise tax collections for submission to top management.
- F. All technical and operational/procedural issues/concerns raised shall be addressed by the National Office Data Center (NODC) and the ELTFOD, respectively.
- G. Taxpayers notified/informed to use the eORB system shall no longer submit the hard copy(ies) of eORB Form.

V. PROCEDURES

The operations and users manual containing all the procedural requirements for the use of eORB system may be downloaded thru the eORB icon from BIR website. With respect to other requirements that are incidental in the usage of the eORB system, the following procedures shall be observed:

- A. Taxpayers shall:
 1. File with the Chief, ELTFOD a written request for access to the system, together with a duly notarized Board Resolution in case the taxpayer is a juridical entity, or an affidavit, in case of a sole proprietor stating, among others, the names of its authorized users to register and maintain a user account, either as an encoder or as an authorized officer, in the system;

2. Enrol thru eORB System and receive an email notification from the BIR on the status of the enrolment;
3. Download the stand-alone eORB TS from BIR website in case of approval of the enrolment, and perform all the instructions therein to create all the users' account;
4. Encode off-line in the downloaded eORB TS system all the transactions of the manufacturing operations;
5. Finalize the transactions, thru the eORB XTS, after the appropriate review;
6. Submit online the completed eORB form;
7. Amend any encoded transaction, subject, however, to the review and approval by the Chief, ELTFOD; and
8. Coordinate with the Chief, ELTFOD or the NODC, in case of operational/procedural or technical issues/concerns, respectively.

B. Excise LT Field Operations Division shall:

1. Approve on-line the application of enrolment of the taxpayer, after validating the letter of application and supporting documents filed by the taxpayer;
2. Review, validate, and approve or deny, as the case may be, amendments to any of the encoded transactions submitted by the taxpayer;
3. Prepare and issue notices of assessment against taxpayers for any discrepancy that may be determined in the submitted eORB form, or for penalties in case of failure to submit the said form within the prescribed deadline; and
4. Coordinate with NODC, in case of technical issues/concerns.

C. Excise LT Regulatory Division shall:

1. Encode/Update online all the pertinent information (i.e., name of taxpayer, production/plant Site, assessment number, products, etc.) contained in the approved Permit to Operate and registration permits for brand of tobacco products within twenty four (24) hours immediately upon approval of the application; and

2. Coordinate with NODC, in case of technical issues/concerns.

D. ACIR, LTS/HREA-Excise Group shall:

1. Review on-line the eORB form submitted by the taxpayer;

2. Coordinate with the appropriate Division for any clarification/discrepancy that may be determined and undertake the appropriate actions; and
3. Coordinate with NODC, in case of technical issues/concerns.

VI. REPEALING CLAUSE

All revenue issuances inconsistent herewith are hereby repealed and amended accordingly.

VII. PENALTY CLAUSE

Strict compliance with this Order is hereby enjoined. Any violation of the provisions thereof shall be subject to administrative disciplinary action and shall be dealt with accordingly. Moreover, in cases where the taxpayer failed to use/maintain the eORB system as well as to submit the eORB Form to this Bureau through the facility of the said system, the same constitutes a violation of Section 153 of the National Internal Revenue Code, as amended, upon which the penalty of One thousand pesos (P1,000.00) for each failure; provided that the aggregate amount to be imposed for such failures during a calendar year shall not exceed to Twenty five thousand pesos (P25,000), pursuant to the provisions of Section 250 of the same Code.

VIII. EFFECTIVITY

This Order shall take effect immediately.

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

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