

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
QUEZON CITY

February 24, 2012

REVENUE MEMORANDUM CIRCULAR NO. 9-2012

SUBJECT: Circularizes the Full Text of the Commission on Audit's Reply on the Query Re: Recording of Forfeited Real Properties which were Lumped and Assigned a Single Valuation in the National Government (NG) Books of the Bureau of Internal Revenue

TO : All Internal Revenue Officers, Employees and Others Concerned.

For the information and guidance of all internal revenue officials, employees and others concerned, quoted hereunder is the full text of the reply dated February 10, 2012 of Assistant Commissioner Jaime P. Naranjo of the Commission on Audit - Government Accountancy Sector (GAS) Re: Recording of Forfeited Real Properties which were Lumped and Assigned a Single Valuation in the National Government (NG) Books of the Bureau of Internal Revenue, as follows:

“February 10, 2012

MR. NELSON M. ASPE
*Deputy Commissioner, Operations Group
Bureau of Internal Revenue (BIR)
Agham Road, Quezon City*

Dear Deputy Commissioner Aspe:

This pertains to your letter dated December 26, 2011 requesting for advice on how several real properties forfeited in favor of the BIR, which were lumped and assigned a single valuation equivalent to the tax liability, are to be recorded separately in the BIR books. Relative thereto, please be informed that the tax liability shall be prorated based on the fair market values of the real properties in question as shown below:

<i>Fair Market Value</i>	<i>Zonal Value</i>	<i>Tax Liability</i>	<i>Pro Rata Rate</i>	<i>Amount</i>
<i>P 13,500.00</i>	<i>P 13,500.00</i>		<i>14%</i>	<i>P 11,643.03</i>
<i>82,500.00</i>	<i>82,500.00</i>		<i>85%</i>	<i>70,689.85</i>
<i>1,250.00</i>	<i>1,250.00</i>		<i>01%</i>	<i>831.65</i>
<i>P 97,250.00</i>	<i>P 97,250.00</i>	<i>P 83,164.53</i>	<i>100%</i>	<i>P 83,164.53</i>

We hope that we have satisfactorily addressed the issue.

Very truly yours,

(Original Signed)
JAIME P. NARANJO
Assistant Commissioner"

All concerned are hereby enjoined to be guided accordingly.

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