

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

August 18, 2014

**REVENUE MEMORANDUM CIRCULAR NO. 70-2014**

**SUBJECT :** Clarifying the Requirements for the Issuance of Certifications on Outstanding Tax Liabilities/Delinquency Verification Slips for Purposes of Processing the Payment of Claims for Tax Refund, Cash Conversion of Tax Credit Certificates and VAT Monetization under EO Nos. 68 and 68-A

**TO :** All Internal Revenue Officials, Employees and Others Concerned

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This Circular is hereby issued to clarify the requirements in the issuance of certifications and/or delinquency verification slips on the existence of any outstanding tax liability issued by Revenue District Offices (RDOs), Regional Collection Divisions, concerned Offices of the Large Taxpayers Service, Accounts Receivable Monitoring Division and other revenue Offices of this Bureau. Relative thereto, and for purposes of ensuring that tax refunds, cash conversions of Tax Credit Certificates (TCCs) and Value-Added Tax (VAT) monetization are not granted to delinquent taxpayers thereby protecting the interest of the government, the following requirements for the issuance of certifications and/or delinquency verification slips on the existence of any outstanding tax liability shall be strictly observed by all concerned issuing revenue Offices:

1. In cases where the taxpayer has ITS-generated “open cases”, particularly “stop-filer cases”, in addition to delinquent account cases, the same shall also be considered for purposes of this Circular. Accordingly, the concerned revenue Offices shall determine the validity thereof and only valid “stop-filer cases” defined and clarified under the provisions of Revenue Memorandum Order (RMO) No. 41-2011 shall be reflected in the prescribed certifications/delinquency verification slips. The processing of payment of the abovementioned applications shall be held in abeyance pending the resolution of these “stop-filer cases” by the concerned revenue Offices.
2. The status of assessment cases of this Bureau against taxpayers that are pending before the courts of law, or with other revenue Offices (e.g., Appellate Division, regional Legal Divisions, etc.), in case of administrative protests, shall first be determined and clearly indicated in the certifications/verification slips whether or not the same are final and executory. Accordingly, if the assessment cases are not yet final and executory and, therefore, remained pending resolution with the said courts of law, or with the concerned revenue Offices where the administrative protests were filed, the processing of payment of the said applications shall proceed.

Provided, however, That, notwithstanding the pendency of the assessment case before the court of law or the concerned revenue Office but the said case is already final and executory upon the filing thereof, the processing of payment of tax refund, cash conversion of TCC or VAT monetization shall be discontinued by the concerned processing revenue Office and the entire docket containing the application for payment thereof shall be returned to the concerned revenue Office having jurisdiction over the concerned taxpayer for the issuance of the written denial of the application, subject to the re-filing thereof after settlement of the delinquency account.

For purposes of the two preceding paragraphs, the grounds enumerated under Section 2.1 of RMO No. 10-2014 resulting to a tax assessment or any unpaid delinquent account which is considered final and executory shall be determined by the concerned revenue Office issuing the aforesaid certification. Moreover, all concerned processing revenue Offices, with pending applications for payment of tax refund, cash conversion of TCC or VAT monetization containing certifications of pending assessment cases before the courts of law or other revenue Offices mentioned above shall, upon the date of issuance of this Circular, request the concerned revenue Offices which issued such certifications for another certification to certify whether or not such pending cases are actually final and executory upon the filing thereof with the concerned court of law or revenue Office.

3. With respect to those delinquent account cases whose dockets were referred and transferred to other concerned revenue Offices for resolution of certain legal issues, if any, or for review and approval of certain actions pertinent thereto (e.g., execution of summary remedies, requests for compromise settlement/abatement of penalties, etc.), the certification and/or delinquency verification slip shall still be issued containing the existence of the delinquency account of the concerned taxpayer, with the additional information, namely: (1) name of revenue Office where the docket of the case was referred and transmitted to; (2) the date of transmittal of the case docket; and (3) the reason for referral/transmittal thereof.
4. Certifications/verification slips on the existence of tax liabilities of the concerned taxpayer shall only be valid for ONE (1) MONTH from the date of issue of issuance thereof.
5. For the convenience of all concerned taxpayer-claimants considering that they are already initially required to secure such certification/delinquency verification slip under the existing guidelines and procedures, all subsequent requirements for updated certifications/delinquency verification slips, if necessary, pertaining to the same claim for tax refund/cash conversion of TCC of the taxpayers shall be initiated by the concerned processing revenue Office requiring such updated certifications/slips, instead of requiring the same from the concerned taxpayer. The updated certifications/slips shall, in turn, be issued by the concerned issuing-revenue Office to the requesting revenue Office within twenty four (24) hours from receipt of the written request.

All concerned revenue officials, employees and others concerned, are hereby enjoined to give this Circular as wide a publicity as possible.

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