



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

September 18, 2015

REVENUE MEMORANDUM ORDER NO. 20-2015

SUBJECT : Prescribing Policies, Guidelines and Procedures on the Registration of Employees

TO : All Internal Revenue Officials, Employees and Others Concerned

I. BACKGROUND. The eRegistration (eREG) System is required to be used in generating Taxpayer Identification Number (TIN) for employees by Large Taxpayer (LT)-Employers, corporations under the Taxpayer Account Management Program (TAMP) and those registered/enrolled in the Electronic Filing and Payment System (eFPS), pursuant to Revenue Memorandum Order (RMO) No. 26-2009.

Generally, the submission of the fully accomplished registration forms with the required documentary requirements to the Bureau of Internal Revenue (BIR) may either be done by the employer or the employee. However, employees whose TINs were secured by the employer thru the eREG System, shall submit the prescribed registration form through their respective employer.

II. OBJECTIVES. This Order is being issued to:

1. Clarify the procedures on the registration of employees;
2. Prescribe policies and guidelines in the issuances of Taxpayer Identification Number (TIN) of employees using the eRegistration System.

III. POLICIES AND GUIDELINES

1. Employees shall be registered at the Revenue District Office (RDO) where the employer is registered or at the local RDO of the business address where the LT-Employer is physically located.
2. Transfer of registration of employee due to change of employer shall be the responsibility of the new Employer. The new Employer shall submit the duly accomplished and signed BIR Form No. 1905 (Application for Registration Information Update) of the employee. The transfer of registration of such employee shall be initiated by the RDO that receives the application. In case the employee or the employer is relatively far away and unable to visit the RDO for the application of transfer of registration, a faxed copy of BIR Form 1905 with signature is acceptable and shall be accepted by the RDOs or LT-Assistance Division (LTAD)/Excise LT Regulatory Division (ELTRD)/LT Division (LTD)-Makati/LTD-Cebu.
3. Taxpayers with the following circumstances cannot be registered using the eRegistration System, thus they shall appear personally in the RDO or the LT-Employer shall submit a written request for TIN issuance to the LTAD/ELTRD/LTD-Makati/LTD-Cebu:
 - 3.1 Those with incomplete data (e.g. no middle name, such as Chinese and child of a solo parent) on the basic taxpayer information form; and

3.2 Those with similar or found to have matching records in the BIR database that fall under any of the following validation rules:

- same last name, first name and middle name
- same last name, first name and middle initial
- same last name, first name and birth date
- same last name, middle name and birth date
- for a married female whose civil status entered in eREG is married, the entered middle name, first name and birth date has respectively matching last name, first name and birth date of a female in the BIR database

4. For Large Taxpayer-Employer

4.1 Only LT-Employer is allowed to transact business with the LTAD/ELTRD/LTD-Makati/LTD-Cebu where the LT-Employer is duly registered for “Application for Registration” of their employees and Update of Exemption of Employees.

4.2 LT-Employer shall secure the TIN of its new employees using the eRegistration System.

4.3 LT-Employer that cannot register its new employees thru the eRegistration System due to reasons enumerated under Section III.3 of this Order shall secure its employees' TINs in LTAD/ELTRD/LTD-Makati/LTD-Cebu where the LT-Employer is duly registered. Provided that, LT-Employer shall submit a written request with corresponding transmittal list of its new employees who filed BIR Form No. 1902 (Application for Registration For Individuals Earning Purely Compensation Income, and Non-Resident Citizens / Resident Alien Employee) for the TIN issuance in any form of communication (letter, email attachment, fax), attention to the Chief of Office together with the prescribed registration form and eRegistration System message.

4.4 LT-Employer shall submit a written request for the issuance of TIN Cards of employees to the concerned LTAD/ELTRD/LTD-Makati/LTD-Cebu, attaching thereto the list of newly registered employees in batches of twenty (20), citing their full name (surname, first name, middle name), birthdate, address and the date of registration or date of TIN issuance, together with BIR Form 1902 and the printed eReg Confirmation Page, only if registered using the eRegistration System.

5. For Non-Large Taxpayer-Employer

4.1 Employers of TAMP Corporations and eFPS registered users shall secure the TIN of its new employees using the eRegistration System.

4.2 All other Employers (*who are not classified as Large Taxpayers, TAMP corporations or an eFPS registered users*), may secure the TIN of their employees, either through e-REG System or through the RDO having jurisdiction over the employer's business address.

4.3 Employee with concurrent multiple employment shall secure TIN at the RDO having jurisdiction over his principal/main Employer.

4.4 In the event that the eRegistration System cannot process the TIN issuance of employees due to reasons enumerated under Section III.3 of this Order, the Client Support Section (CSS) of the concerned RDOs shall accommodate these employees.

4.5 Employee shall request for the issuance of TIN Card to the RDO having jurisdiction over the employer's business address or any computerized RDOs.

5. Update of Exemption of Employee's Information shall be done by the Employer using the Update of Exemption of Employee Data Entry Module (BIR Form 2305 Data Entry Module) or Taxpayer Registration Information Update System (TRIU –

- Enhanced eRegistration System when available).
6. All new employees with existing TIN shall apply for Update of Registration Information by submitting the accomplished BIR Form No. 2305 to their employer.
 7. It is to reiterate that no local employees shall be registered to the RDO of LTAD/ELTRD/LTD-Makati/LTD-Cebu. Hence, in the registration by LTAD/ELTRD/LTD-Makati/LTD-Cebu of new employees of LT-Employers, the local RDO of the business address where the LT-Employer is physically located shall be used for tagging purposes.

Illustration:

ABC Corporation is a Large Taxpayer-Branch (located in General Santos City) registered under LTAD 116. All employees of ABC Corporation shall be registered by said corporation using the eRegistration System, if available, or thru LTAD using the local RDO of the business address where the Large Taxpayer is physically located for tagging purposes. In this illustration, LTAD shall tag RDO No. 110 – General Santos City as the RDO of the LT-Employees.

IV. PROCEDURES

A. LTAD/ELTRD/LTD-Makati/LTD-Cebu shall:

A.1. TIN Issuance

A.1.1 If the eRegistration System is available (for Employees with similar records):

LTAD/ELTRD/LTD-Makati/LTD-Cebu shall conduct proper validation of the list of employees with presented original eRegistration System message prior to the issuance of TIN and TIN Cards, following these basic procedures:

- 1.1.1 Accomplish BIR Form No. 0044 (Access Request Form) signed by the Chief of Office and submit the same to the Security Management Division for eRegistration System Access.
- 1.1.2 Receive the written request of LT-Employer with the corresponding transmittal list of new employees **with similar records only** and BIR Form No. 1902.
- 1.1.3 Check and validate the completeness of documentary requirements.
- 1.1.4 Use the eRegistration System and validate by entering the basic information of the employee and click the submit button, if the system will display a message that the employee has a similar record in the BIR database, verify using Enhanced Tax Information System (eTIS-1), eREG-TIN Query or Integrated Tax System (ITS) if the employee has existing TIN.
- 1.1.5 Identify the local RDO of the LT-Employer where the business address is physically located.
- 1.1.6 Forward the transmittal list of new employees who have a similar record to the eRegistration System and those with no existing TIN in eTIS-1, eREG-TIN Query or ITS, with identified local RDO of LT-Employer and validated BIR Form No. 1902 to the Head, National Office – Data Center (NO-DC) within two (2) working days for TIN issuance. The complete documentary requirements shall be kept by the concerned LTAD/ELTRD/LTD-Makati/LTD-Cebu and shall not be forwarded to NO-DC.

A.1.2 If the eRegistration System is unavailable:

- 1.2.1 Receive the written request of LT-Employer with the corresponding transmittal list of new employees and BIR Form No. 1902.
- 1.2.2 Check and validate the completeness of the documentary requirements.

- 1.2.3 Verify using the Enhanced Tax Information System (eTIS-1), eREG-TIN Query or ITS if the employee has an existing TIN.
- 1.2.4 Identify the local RDO of the LT-Employer where the business address is physically located.
- 1.2.5 Forward the transmittal list of new employees with no existing TIN, with identified local RDO of LT-Employer and validated BIR Form No. 1902 to the Head, NO-DC within two (2) working days for TIN issuance. The complete documentary requirements shall be kept by the concerned LTAD/ELTRD/LTD-Makati/LTD-Cebu and shall not be forwarded to NO-DC.

A.2. TIN Card Issuance:

- 2.1 Validate the transmittal list and application form of new employees of LT-Employer for TIN Card issuance and forward the list to the Head, NO-DC for TIN Card printing except for LTD-Cebu.
- 2.2 In the case of LTD-Cebu, the printing of TIN Card shall be done at LTD-Cebu regardless of the source of TIN generation (either thru eRegistration System or by NO-DC).
- 2.3 Receive from NO-DC the application forms with TIN issued and TIN Cards of LT-Employees.
- 2.4 Release the issued TINs and TIN Cards of LT-Employees to the LT-Employer.

B. Revenue District Office shall:

B.1. TIN Issuance

- 1.1 Accomplish BIR Form No. 0044 (Access Request Form) signed by the Chief of Office and submit the same to the Security Management Division for eRegistration System Access.
- 1.2 Receive BIR Form 1902 of employees of Non-LT-Employer.
- 1.3 Check and validate the completeness of the documentary requirements.
- 1.4 Accept those employees who cannot process the TIN issuance using the eRegistration System by its Non-LT-Employer.
- 1.5 Conduct proper validation of presented original eRegistration System message using the eRegistration System.
- 1.6 Verify using the eTIS-1, eREG-TIN Query and/or ITS if the employee has an existing TIN.
- 1.7 Issue TIN using eTIS-1 or ITS.

B.2. TIN Card Issuance

- 2.1 Release TIN Card of employees upon request.

C. National Office – Data Center shall:

1. Accomplish BIR Form No. 0044 signed by the Head of Office and submit the same to the Security Management Division for special access in ITS.
2. Receive transmittal list and validated application forms for TIN issuances or TIN Card printing of employees from LT-Employers that were indorsed by LTAD/ELTRD/LTD-Makati/LTD-Cebu.
3. Encode the validated application and issue a TIN [using the Integrated Tax

System (ITS)] for the employees of LT-Employers.

4. Print the TIN Card of newly registered LT-Employees.
5. Forward the application forms with TIN issued and TIN Cards of LT-Employees to the LTAD/ELTRD/LTD-Makati/LTD-Cebu.

V. PENALTY PROVISIONS.

1. Those employers who are required to use the eRegistration System but instructing its new employees to visit the RDOs or LTAD/ELTRD/LTD-Makati/LTD-Cebu with photocopied alleged eRegistration System message presented, shall be imposed a penalty of P1,000.00 per employee pursuant to Section 275 of the NIRC, as amended.
2. A penalty of P1,000.00 for every instance but not to exceed P25,000.00 shall be imposed on eRegistration System and Update of Exemption of Employee Data Entry Module users who supplied erroneous/invalid information.

VI. EFFECTIVITY. This Order shall take effect immediately.

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

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