

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

July 24, 2018

REVENUE MEMORANDUM ORDER NO. 34 - 2018

SUBJECT: Amending the Provision of Revenue Memorandum Order (RMO) No. 32 – 2018 Regarding the Thresholds and Prescribing Additional Policies for the Issuance of Electronic Letters of Authority (eLAs) for Office Audit

TO : All Regional Directors, Revenue District Officers, Chiefs of the Assessment Divisions of Regional Offices, Other Revenue Officers and Others Concerned

I. Objectives

1. To amend the thresholds for the issuance of eLAs prescribed in Item No. II of RMO No. 32 -2018 to consider the island districts under the jurisdiction of Revenue Region (RR) Nos. 6 – Manila, 9A – CaBaMiRo and 9B – LaQueMar; and
2. To prescribe additional policies and procedures for the issuance of eLAs for Office Audit through the Electronic Letter of Authority Monitoring System (eLAMS).

II. Amendatory Provision

The coverage for the issuance of eLAs prescribed under item No. II of RMO No. 32 – 2018 is hereby amended, as follows:

“Electronic Letters of Authority (eLAs) shall be issued to cover the audit/investigation of taxpayers for tax returns for taxable year 2017 under the jurisdiction of the Regional Office with gross sales/receipts as follows:

Area	Gross Sales/ Receipts
Revenue District Offices (RDOs) under RR Nos. 5, 6 (except RDO No. 36 – Puerto Princesa), 7 and 8	Ten Million Pesos (₱ 10,000,000.00) and below
RDOs under RR Nos. 1, 4, 9A (except RDO Nos. 35 – Romblon, 37 – Occidental Mindoro and 63 – Oriental Mindoro), 9B (except RDO No. 62 – Marinduque), 11, 12, 13, 16 and 19	Five Million Pesos (₱ 5,000,000.00) and below
RDO No. 36	Three Million Pesos (₱ 3,000,000.00) and below

Area	Gross Sales/ Receipts
RDOs under RR Nos. 2, 3, 10, 14, 15, 17 and 18, including RDO Nos. 35, 37, 62 and 63	Two (2) Million Pesos (₱ 2,000,000.00) and below

eLA shall be issued only to taxpayers who have not been audited/investigated for the last three (3) years. One (1) eLA shall be issued for each taxable year to include all internal revenue tax liabilities of the taxpayer, except when a specific tax type had been previously examined (e.g., audit of VAT under the VAT Audit Program and claim for issuance of VAT refund/Tax Credit Certificate). Under such instance, the phrase “All internal revenue tax liabilities, except VAT” shall be indicated in the eLA.

Exclusion:

Claims for issuance of tax refund/Tax Credit Certificate (TCC) of taxpayers”

III. Additional Policies and Procedures

The Chief, Assessment Division shall -

1. Requisition BIR Form No. 1966, which shall be used in printing the eLA, from the Accountable Forms Division (AFD);
2. Communicate in writing the range of the Serial Numbers (SNs) of the BIR Form No. 1966 received from the AFD to the Assistant Commissioner - Information Systems Project Management Service (ACIR – ISPMS), Attention: Chief, Business Intelligence Division (BID), for uploading to the Electronic Letter of Authority Monitoring System (eLAMS);
3. Submit to the ACIR – ISPMS, copy furnished the Chief, APMD, the names of the Revenue Officers (ROs) and Group Supervisors (GSs) assigned in the Office Audit and Revenue and Evaluation Sections which shall also be uploaded to the eLAMS by the BID;
4. Coordinate with the concerned office for the issuance of the corresponding Revenue Travel Assignment Order, in case there will be movement of personnel assigned in the Assessment Division, for purposes of giving access for the use of the eLAMS;
5. Request for system access for eLAMS by submitting a duly accomplished BIR Form No. 0044 (Request for System Access) for all the ROs/GSs who are authorized to use the eLAMS to the concerned Head, Revenue Data Center, copy furnished the Chief, Security Management Division;
6. Ensure that the ROs/GSs authorized to use the eLAMS have attended the prerequisite training course for granting system access; and

7. In requesting the eLA for office audit cases under the Data Entry Screen of the eLAMS, select the category “Priority Taxpayers/Industries (PTI)” and subsequently choose from the drop-down list the appropriate selection code, as follows:

<u>Code</u>	<u>Description</u>
STPI	Small Taxpayer – Individual
STPN	Small Taxpayer – Non - Individual

IV. Repealing Clause

All other issuances inconsistent herewith are hereby modified or repealed accordingly.

V. Effectivity

This Order shall take effect immediately upon approval.

(Original Signed)
CAESAR R. DULAY
Commissioner of Internal Revenue