

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE

November 11, 2009

**REVENUE MEMORANDUM ORDER NO. 35-2009**

**SUBJECT:** Project “Iboto Mo”

**TO:** All Regional Directors, Revenue District Officers and Others Concerned

**I. OBJECTIVES OF PROJECT “IBOTO MO”**

This Order is issued:

1. To prescribe the policies and procedures in implementing the provisions of Revenue Regulations No. 8-2009 subjecting to creditable withholding tax (CWT) the payments for campaign expenditures for the forthcoming local and national elections
2. To ensure that political parties and candidates of local and national elections and their contributors (hereinafter called “covered parties”) designated as withholding agents are able to conveniently comply with withholding tax laws, rules and regulations and other related issuances.
3. To prescribe the conduct of a uniform information campaign by the Office of the Regional Director and the Revenue District Offices.
4. To prescribe the Alphanumeric Tax Code (ATC) to be used for the CWT prescribed in the Revenue Regulations 8-2009.
5. To specify the reports for submission to document the accomplishments and activities.

The activities for this undertaking will be code named **Project “Iboto Mo”** (PIM).

**II. GUIDELINES AND PROCEDURES FOR PROJECT “IBOTO MO”**

**A. OFFICE OF THE REGIONAL DIRECTOR shall:**

1. Monitor compliance of the RDOs of the provisions of this RMO ;
2. Make necessary communication and appeal to covered parties for their support and compliance with the provisions of RR 8-2009 and this RMO;
3. Conduct an information campaign on key messages on Project “Iboto Mo” (refer to **Annexes 1 to 3** for the information materials message and samples to use) by conducting dialogues, forums, etc., and by disseminating information to radio, television and newspaper establishments;

4. Consolidate the Monthly Report on Project "Iboto Mo" (refer to **Annex 4**) received from the RDOs and submit to the Task Force that will be created for this purpose not later than the 10<sup>th</sup> day of each month beginning December 10, 2009 and culminating on August 10, 2010.
5. Refer all matters and issues on this PIM to the Task Force.

**B. REVENUE DISTRICT OFFICE shall:**

1. Ensure registration of all political parties, candidates of local and national elections and campaign contributors within their respective jurisdictions using a) BIR Form No. 1901 for individuals, or b) BIR Form No. 1903 for the political parties, corporations other non-individual. Those previously registered covered parties (such as those previously registered as employees or with businesses and are candidates for national and/or local election or contributors) need to modify their registration information for this purpose using BIR Form No. 1905 to include tax type withholding expanded.
2. Coordinate with the COMELEC local office/s within the RDO jurisdiction to ensure that the BIR will be able to issue Applications of Registration/Update Forms (BIR Form Nos. 1901/1903/1905) to all candidates when they apply for their certificate of candidacy (COC) with the COMELEC from the period November 20 to December 1, 2009. To ensure convenience of registration, pre-generated Tax Identification Numbers (TIN) and TIN cards shall be issued to the covered parties on the spot when the accomplished BIR Forms 1901/1903 are submitted back to the BIR, preferably during the filing of the COC. The Systems Maintenance Support Division (SMSD) shall prepare the guidelines and procedures for the issuance of the pre-generated TINS to the RDOs.
3. Secure from COMELEC local office the list of names and addresses of the candidates with COC and accredited political parties and match with the registration system to determine if there are covered parties that are not yet registered with the BIR.
4. Send letters with Application for Registration, informing about the provisions of RR 8-2009 and the requirements of registration to those covered parties that have been identified as not yet registered with the BIR.
5. Conduct briefings using **Annex 1** (Presentation Materials) to all administrative, finance officers and other representatives of the covered parties.
6. Secure from the COMELEC the Statement of Campaign Expenditures and Contributions submitted by candidates and political parties and conduct pre-audit to determine if there are violations of covered parties' compliance with their withholding tax obligations. These statements shall be available from the COMELEC by June 2010. The Alphalist Report on the Collection of Withholding Taxes to be prepared by the SMSD and other documents available in the RDO shall be used in the pre-audit.
7. Send letters/notices to all covered parties who failed, or were late, or were deficient in the filing and remittance withholding taxes and attachments. Guidelines on steps (6) and (7) will be prescribed in a RMO to be issued for this purpose.
8. Submit the Monthly Report on Project "Iboto Mo" (refer to **Annex 4**) to the Regional Director that not later than the 5<sup>th</sup> day of each month beginning December 5, 2009 and culminating on August 5, 2010.
9. Refer all matters and issues on this project to the Task Force.

**C. TASK FORCE shall:**

1. Hold office in the Office of the Senior Deputy Commissioner during the duration of this PIM.
2. Coordinate with the COMELEC all matters regarding the implementation of Revenue Regulations 8-2009 and the PIM.
3. Address all issues referred for immediate resolution.
4. Monitor the compliance of all BIR offices on the PIM.
5. Recommend the guidelines on the pre-audit and non-compliance/deficiency tax assessment process to be conducted by the RDOs.
6. Consolidate the Monthly Report on Project "Iboto Mo" (refer to **Annex 4**) received from the Regional Directors and submit to the Commissioner of Internal Revenue not later than the 15<sup>th</sup> day of each month beginning December 15, 2009 and culminating on August 15, 2010.

**D. SYSTEMS MAINTENANCE SUPPORT DIVISION shall:**

1. Ensure tagging of the correct registration information of all political parties and candidates of local and national elections and campaign contributors within their respective jurisdictions with the BIR.
2. Initiate the closure of tax type (withholding tax expanded) of taxpayers identified to have used ATC WI/WC 680.
3. Prescribe the system for the issuance and utilization of the pre-generated TINs that will be used in the registration of covered parties.
4. Generate the Alphalist Report of Withholding Tax Collection for ATC WI/WC 680 for each RDO and transmit to the concerned RDO not later than June 30, 2010.

**V. ALPHANUMERIC TAX CODE**

The ATC for the CWT withheld by individuals shall be **WI 680** and the ATC for the CWT withheld by corporations and non-individuals shall be **WC 680**.

**IV. REPEALING CLAUSE:**

The provisions of existing RMOs and other issuances inconsistent with the foregoing are hereby amended, modified or repealed accordingly.

**V. EFFECTIVITY**

This Order shall take effect immediately.

(Original Signed)  
**JOEL L. TAN-TORRES**  
Senior Deputy Commissioner  
(Approved pursuant to the authority under  
Executive Order No. 827 Series of 2009)