



**Republic of the Philippines**  
**Department of Finance**  
**BUREAU OF INTERNAL REVENUE**  
Quezon City

31 March 2009

**REVENUE MEMORANDUM CIRCULAR NO. 19-2009**

**SUBJECT : TRANSITION PROCEDURES RELATIVE TO THE  
ISSUANCE AND CANCELLATION OF "PERMIT TO  
USE" CASH REGISTER MACHINE, POINT OF SALES  
MACHINE, SPECIAL PURPOSE MACHINE AND  
OTHER SIMILAR SALES MACHINES**

**FOR : ALL INTERNAL REVENUE OFFICIALS, EMPLOYEES,  
TAXPAYERS, AND OTHERS CONCERNED**

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The Electronic Accreditation and Registration (eAccReg) System links for the registration, issuance and cancellation of "Permit to Use" Cash Register Machine (CRM) / Point of Sales (POS) Machine / Special Purpose Machine (SPM) and other similar sales machines whether it is final or provisional, pursuant to Revenue Regulations (RR) No. 11-2004 and Revenue Memorandum Order (RMO) No. 10-2005, are now in place for its decentralization and devolution to the Revenue District Offices (RDOs) thru its Taxpayer Service Section (TSS), Large Taxpayer Assistance Division (LTAD) I & II, Large Taxpayer District Offices (LTDOs) and other concerned offices.

As provided under the abovementioned revenue issuances, the original copy of the "Permit to Use" Sales Machines shall be posted at the back of the CRM/POS/SPM and other similar sales machines. However, the permits that were issued prior to this revenue issuance indicated more than one (1) machine in each page of the permit, although each machine has its own Permit Number and Machine Identification Number (MIN). With this practice, only one (1) machine can be posted with original permit. In order to comply with the provision of RR 11-2004 and RMO 10-2005, it is required that all the permits issued prior to this RMC shall be reprinted so that only one (1) machine is reflected in each page of the permit using the herein prescribed format and size of the permit (Annex "A", "B" and "C").

Hence, the following are the procedures to be strictly adhered to, for the reprinting, issuance and cancellation of the "Permit to Use" including the post-evaluation of CRM / POS / SPM and other similar sales machines in the following offices:

**I. For the REPRINTING of "Permit to Use" CRM / POS / SPM and other similar sales machines:**

***A. LTAD I / II / LTDOs and Taxpayers Service Section (TSS) of RDOs shall:***

1. Receive the soft copy of the template containing the prescribed format and new size of the "Permit to Use" from Taxpayer Assistance Service-Taxpayer Service Programs and Monitoring Division (TAS-TSPMD);

2. Receive via electronic mail (e-mail) the List of “Permits to Use” CRM / POS / SPM and other similar sales machines from Information Systems Operations Service-Systems Operations Division (ISOS-SOD), for the reprinting of all permits **within thirty (30) days** from receipt of the said List;
3. Prepare and reprint the individual “Permit to Use” for each machine based on the List received from ISOS-SOD;
4. Forward the newly reprinted or prescribed “Permit to Use” to the Chief of LTAD I / II/LTDOs/Revenue District Officer for his/her signature / approval;
5. Inform the accredited suppliers / taxpayer-users to claim the newly reprinted “Permit to Use”, then issue the same upon surrendering the old “Permit to Use”, and require them to attach the newly prescribed “Permit to Use” to the specified CRM / POS / SPM and other similar sales machine, in a way that is clearly visible to the public;
6. Prepare a **Monthly Report on the Reprinted “Permit to Use”**, using the prescribed format, attached hereto as Annex “D”, which shall be submitted to the Taxpayer Service Programs and Monitoring Division (TSPMD) under the Taxpayers Assistance Service (TAS) through its e-mail [tspmd\\_tas@bir.gov.ph](mailto:tspmd_tas@bir.gov.ph) every tenth (10<sup>th</sup>) day of the following month until all the taxpayers in the List already received the reprinted permits.

***B. Taxpayer Assistance Service-Taxpayer Service Programs and Monitoring Division (TAS-TSPMD) shall:***

1. Send through email, the soft copy of the template of the prescribed format and new size of the “Permit to Use” to LTAD I / II, LTDOs, and RDOs;
2. Receive copy of the List of “Permit to Use” CRM/POS/SPM and other sales machines from ISOS-SOD; and
3. Receive the Monthly Reports on the Reprinted “Permit to Use” CRM/POS/SPM and Other Sales Machines (Annex “D”) for monitoring purposes.

***C. Information Systems Operations Service-Systems Operations Division (ISOS-SOD) shall:***

1. Extract the list of valid and existing “Permit to Use” CRM / POS and other similar sales machines whether it is final or provisional “Permit to Use” and “Permit to Use” special purpose machines issued by QAD based on the RDO/Office code, within fifteen (15) days from the time of the effectivity of this RMC; and
2. Email the said list of valid and existing “Permit to Use” to every RDO/LTAD I / II / LTDOs having jurisdiction over the taxpayer-users’ place of business or registered address.

**II. For the ISSUANCE of “Permit to Use” CRM / POS / SPM and other similar sales machines:**

All applications for the registration of CRM / POS / SPM and other similar sales machines shall be processed by LTAD I / II / LTDOs / RDOs upon roll-out of

the eAccReg System following the procedures prescribed in the attached “eAccReg System RDO User Guide” (Annex “E”). The procedures to be performed are as follows:

**A. FOR ACCREDITED MACHINES:**

**1. LTAD I / II / LTDOs and Taxpayer Service Section of RDOs of Accredited Supplier's / Pseudo Supplier's Head Office shall:**

- a. Receive the application for “Permit to Use” (supplier.csv) from accredited suppliers / pseudo suppliers which was sent via email;
- b. Validate / Check the correctness of the information indicated on the accredited suppliers' / pseudo suppliers' application for the “Permit to Use” (supplier.csv) following the procedures specified in the User's Guide Manual on eAccReg System, attached hereto as Annex “E”;
- c. Process the “Permit to Use” **within three (3) working days** upon receipt of application, following the procedures in the User's Guide Manual on eAccReg System if all the information provided by the accredited suppliers / pseudo suppliers are correct. However, send e-mail reply to the accredited suppliers / pseudo suppliers in case the application for the “Permit to Use” is “invalid” if the error messages listed in the attached Annex “F” are indicated;
- d. Generate the “Permit Number” and “Machine Identification Number” (MIN) for each machine that has been applied thereto using the eAccReg System; and
- e. Forward to the accredited supplier via e-mail the application for “Permit to Use” indicating the corresponding “Permit Number” and MIN of each machine, copy furnished the RDO/LTAD I/II/LTDO having jurisdiction over the taxpayer-user's place of business or registered address for the issuance of the permit.

**2. LTAD I / II / LTDOs and Taxpayer Service Section of RDOs of the Taxpayer-user shall:**

- a. Receive via e-mail the processed application of accredited supplier/pseudo supplier with the corresponding “Permit Number” and MIN from the registered RDO of the accredited supplier's / pseudo supplier's Head Office;
- b. Verify/Check with the eAccReg System the correctness of the Permit Number and MIN per machine indicated in the processed application;
- c. Prepare and print the “Permit to Use” for each machine that has been applied thereto, using the prescribed format and new size (see attached Annex “A”);
- d. Forward all the permits to the Revenue District Officer/Division Chief of LTAD I or II / LTDOs for his/her signature / approval; and
- e. Inform the taxpayer-users / accredited suppliers / pseudo suppliers that the “Permit to Use” is available for release, then issue the same

and require them to attach the permit and decal to the specified CRM/POS and other similar sales machine, in a way that is clearly visible to the public;

- f. Generate the report on the List of “Permit to Use” issued using the eAccReg facility at the end of each month; and
- g. Request from ISOS-SOD the List of “Permit to Use” issued by the RDOs having jurisdiction over the branches of Large Taxpayers (LTs) but whose Head Office is under the jurisdiction of LTAD I/II or LTDO for monitoring purposes.

**3. *Taxpayer Assistance Service-Taxpayer Service Programs and Monitoring Division (TAS-TSPMD) shall:***

- a. Generate the reports on the newly issued “Permit to Use” per RDO using the eAccReg System for monitoring purposes.

**B. *FOR NON-ACCREDITED MACHINES:***

**1. *LTAD I/II, LTDOs and Taxpayer Service Section (TSS) of RDOs shall:***

- a. Receive application for “Provisional Permit to Use” through email from taxpayer-users under their respective jurisdictions, with the following attachments as provided in Revenue Regulations No. 11-2004 and Revenue Memorandum Order No. 10-2005:
  - i. Sworn Statement (scanned copy); and
  - ii. “List of Sales Machines for Registration” (taxpayer-user.csv).
- b. Validate / Check the correctness of information of the taxpayer-users’ application (taxpayer-user.csv) for the “Provisional Permit to Use” following the procedures specified in the User’s Guide Manual on eAccReg System, attached hereto as Annex “E”;
- c. Process the “Provisional Permit to Use” **within three (3) working days** upon receipt of application, following the procedures in the User’s Guide Manual on eAccReg System if all the information provided by the taxpayer-users are correct. However, send e-mail reply to the taxpayer-users in case the application for the “Provisional Permit to Use” is “invalid” if the error messages listed in the attached Annex “F” are indicated;
- d. Generate the “Provisional Permit Number” and “Machine Identification Number” (MIN), then print the “Provisional Permit to Use” for each machine that has been applied thereto, using the prescribed format and new size; (see attached Annex “B”)
- e. Forward the “Provisional Permit to Use” to the Chief of LTAD I / II / LTDO / Revenue District Officer for his/her signature / approval;
- f. Require the taxpayer-users to submit the original copy of the Sworn Statement upon claiming the “Provisional Permit to Use” then issue the same and require them to attach the permit and decal to the

specified CRM / POS and other similar sales machines, in a way that is clearly visible to the public;

- g. Generate the report on the “List of Provisional Permit to Use” issued using the eAccReg System at the end of each month; and
- h. Request from ISOS-SOD the List of “Provisional Permit to Use” issued by the RDOs having jurisdiction over the branches of Large Taxpayers (LTs) but whose Head Office is under the jurisdiction of LTAD I/II or LTDO for monitoring purposes.

**2. *Taxpayer Assistance Service-Taxpayer Service Programs and Monitoring Division (TAS-TSPMD) shall:***

- a. Generate the reports on the newly issued “Provisional Permit to Use” per RDO using the eAccReg System for monitoring purposes.

**C. *FOR SPECIAL PURPOSE MACHINES (SPM):***

**1. *LTAD I / II / LTDOs and Taxpayer Service Section (TSS) of RDOs shall:***

- a. Receive the application for “Permit to Use Special Purpose Machines (SPM)” through email from taxpayer-users under their respective jurisdictions;
- b. Validate / Check the correctness of information contained on the taxpayer-users’ application for the “Permit to Use Special Purpose Machines” (special purpose machine.csv) following the procedures specified in the User’s Guide Manual on eAccReg System, attached hereto as Annex “E”;
- b. Process the “Permit to Use Special Purpose Machines” **within three (3) working days** upon receipt of application, following the procedures in the User’s Guide Manual on eAccReg System if all the information provided by the taxpayer-users are correct. However, send e-mail reply to the taxpayer-users in case the application for the “Permit to Use Special Purpose Machines” is “invalid” if the error messages listed in the attached Annex “F” are indicated;
- c. Generate the “Permit Number” and print the “Permit to Use Special Purpose Machine” for each machine that has been applied thereto, using the prescribed format and new size; (see attached Annex “C”);
- d. Forward the “Permit to Use Special Purpose Machine” to the Chief of LTAD I / II / LTDO / Revenue District Officer for his/her signature / approval;
- e. Inform the taxpayer-users to claim the “Permit to Use SPM”, then issue the same and require them to attach the permit and sticker to the specified Special Purpose Machine and other similar machines, in a way that is clearly visible to the public;
- f. Generate the report on the List of “Permit to Use SPM” issued using the eAccReg System at the end of each month; and

- i. Request from ISOS-SOD the List of “Permit to Use SPM” issued by the RDOs having jurisdiction over the branches of Large Taxpayers (LTs) but whose Head Office is under the jurisdiction of LTAD I/II or LTDO for monitoring purposes.

**2. *Taxpayer Assistance Service - Taxpayer Service Programs and Monitoring Division (TAS-TSPMD) shall:***

- a. Generate the reports on the newly issued “Permit to Use Special Purpose Machines” per RDO using the eAccReg System for monitoring purposes.

**III. For the CANCELLATION of “Permit to Use” CRM / POS / SPM and other similar sales machines:**

The cancellation of the “Permit to Use” shall be processed by the RDO / LTDO/ LTAD I / II having jurisdiction over the address where the machine will be used. LTAD I / II / LTDOs shall have jurisdiction on the cancellation of permits issued to the Head Office only.

Taxpayer-user shall notify the concerned RDO/LTDO/LTAD I/II in writing, on their request for cancellation of “Permit to Use” CRM/POS/SPM and other sales machines **within fifteen (15) days** from the date the machine was last used/withdrawn from use stating the reasons for cancellation and other necessary information such as but not limited to the following:

- a. Permit Number;
- b. Machine Identification Number (MIN), if any;
- c. Machine Accreditation Number, if any;
- d. Type of Machine;
- e. Machine brand and/or model;
- f. Software name and/or version; and
- g. Serial Number.

**A. *LTAD I & II, LTDOs, RDOs shall:***

1. Receive the letter / written notice from accredited suppliers / taxpayer-users requesting for the cancellation of the “Permit to Use” CRM / POS / SPM and other similar sales machines;
2. Contact the taxpayer-user for the schedule and conduct the actual inspection of CRM / POS and other similar sales machines **within five (5) working days** from the receipt of letter / written notice from accredited suppliers / taxpayer-users, by performing the following procedure:
  1. Check the specifications and details of the said machine with permit, to include but not limited to the Permit No., Serial No., Model and Brand;
  2. Request for / generate Z-reading (End-of-Day-Report) as of last date of use;
  3. Request for / generate back-end report pertaining to the accumulated sales report (for POS) / Check CRM Sales Book (if CRM), in accordance with Section 2.3 and Section 3 of Revenue Regulations No. 10-99;
  4. Match reading against the back-end report; and
  5. Reset to zero or initialize.

3. Prepare Memorandum Report based on the findings of actual inspection conducted which shall be approved by the RDO/LTDO Chief/Assistant Commissioner of Large Taxpayer Service (LTS) recommending approval by Chief of LTAD I/II;
4. Cancel "Permit to Use" and Machine Identification Number (MIN) from the database and generate the "Certificate of Cancellation" (see attached Annex "G") following the User's Guide Manual on eAccReg System;
5. Original copy of "Permits to Use" which have been cancelled, shall be surrendered to LTAD I /II / LTDOs / RDOs which have jurisdiction over the taxpayer-users;
6. Request from ISOS-SOD the List of Cancelled "Permit to Use" processed by the RDOs having jurisdiction over the branches of Large Taxpayers (LTs) but whose Head Office is under the jurisdiction of LTAD I/II or LTDO for record and monitoring purposes; and
7. Require the branches of large taxpayer-user to submit a complete list of cancelled "Permit to Use" to LTAD I & II/LTDOs having jurisdiction to the head office of the large taxpayer-user for proper monitoring;
8. Prepare a monthly report on the cancelled "Permit to Use", using the prescribed format attached hereto as Annex "H", which shall be submitted to the Taxpayer Service Programs and Monitoring Division (TSPMD) under the Taxpayers Assistance Service (TAS) through its e-mail [tspmd\\_tas@bir.gov.ph](mailto:tspmd_tas@bir.gov.ph) every tenth (10<sup>th</sup>) day of the following month.

***B. Taxpayer Assistance Service – Taxpayer Service Programs and Monitoring Division (TAS-TSPMD) shall:***

- 1. Receive the Monthly Reports of Cancelled "Permit to Use" CRM/POS/SPM and Other Similar Sales Machines (Annex "H") for monitoring purposes.*

**IV. For POST-EVALUATION of CRM / POS and other similar sales machines which were granted "PROVISIONAL PERMITS TO USE":**

The post-evaluation of all "Provisional Permit to Use" shall be done by the RDO/LTDO/LTAD I/II having jurisdiction over the address where the machine is used within three (3) months from the date of issuance of such permit; otherwise, the permit shall remain valid until post-evaluated. However, post-evaluation maybe done by either the RDO or concerned Large Taxpayers Office for branches of large taxpayers under the jurisdiction of other RDOs.

***A. FOR ALL EXISTING / PREVIOUSLY ISSUED "PROVISIONAL PERMITS TO USE" (PRIOR TO THE APPROVAL OF THIS RMC):***

***1. LTAD I & II, LTDOs, RDOs shall:***

- a. Prepare letter to taxpayer-users or request Mission Order from the Regional Director/Assistant Commissioner for the conduct of the post-evaluation on the compliance of taxpayer-users who were granted the "Provisional Permit to Use" as indicated in the List of "Provisional Permit to Use" provided by ISOS-SOD;

- b. Coordinate and conduct the post-evaluation with the RMAB/NMAB following these inspection procedures:
  1. Inspect the machine requiring taxpayer-user to present an actual systems demonstration of the system;
  2. Determine if the machine is compliant with the conditions set forth under Section 5.0 of Revenue Regulations 11-2004;
  3. Determine if the machine issues a receipt/invoice with complete data requirements as provided in Sec. 6.0 of Revenue Regulations 11-2004; and
  4. Use the Functional and Technical Evaluation/Appraisal Checklist of Sales Machines and/or Sales Receipting System Software as provided in Annex "E" of RMO 10-2005.
- c. Prepare Memoranda Report on the results of post-evaluation with recommendation for the conversion of provisional permit to final permit if the sales machine is found to be compliant with the requirements of RR 11-2004 and RMO 10-2005, otherwise, require the taxpayer-user to reconfigure or enhance the system based on the compliance requirements provided by the abovementioned issuances;
- d. Convert the "Provisional Permit to Use" to Final "Permit to Use" using the eAccReg System to those who have complied with the requirements on CRM / POS and other similar sales machines pursuant to Revenue Regulations No. 11-2004 and Revenue Memorandum Order No. 10-2005 as recommended by the NMAB / RMAB;
- e. Issue the Final "Permit to Use" upon surrender of the "Provisional Permit to Use" previously issued to the taxpayer-user, and require them to attach the same to the specified CRM / POS / SPM and other similar sales machines, in a way that is clearly visible to the public;
- f. Require those who are not yet compliant to reconfigure / enhance / upgrade/modify their CRM / POS and other similar sales machines within three (3) months from the time of the approval and effectivity of this Revenue Memorandum Circular, extendible **only once** for another three (3) months upon written notice / request for extension by the taxpayer-user, otherwise, the "Provisional Permit to Use" issued will be automatically revoked if the BIR requirements will not be complied with.

**B. *FOR ALL NEWLY ISSUED "PROVISIONAL PERMIT TO USE" (UPON APPROVAL OF THIS RMC):***

**1. *LTAD I & II, LTDOs, RDOs shall:***

- a. Generate the List of "Provisional Permit to Use" issued to taxpayer-users within three (3) months from the time of issuance thereof by using the eAccReg System, and following the procedures indicated on the eAccReg User's Guide Manual;
- b. Request from ISOS-SOD the List of "Provisional Permit to Use" issued by the RDOs having jurisdiction over the branches of Large Taxpayers (LTs) but whose Head Office is under the jurisdiction of LTAD I/II or LTDO for record and monitoring purposes;



- c. Prepare letter to taxpayer-users or request Mission Order from the Regional Director/Assistant Commissioner for the conduct of the post-evaluation on the compliance of taxpayer-users who were granted the “Provisional Permit to Use” as indicated in the List of “Provisional Permit to Use” provided by ISOS-SOD;
- d. Coordinate and conduct the post-evaluation with the RMAB/NMAB following these inspection procedures:
  - 1. Inspect the machine requiring taxpayer-user to present an actual systems demonstration of the system;
  - 2. Determine if the machine is compliant with the conditions set forth under Section 5.0 of Revenue Regulations 11-2004;
  - 3. Determine if the machine issues a receipt/invoice with complete data requirements as provided in Sec. 6.0 of Revenue Regulations 11-2004; and
  - 4. Use the checklist for the accreditation of sales machines as provided in Annex “E” of RMO 10-2005.
- e. Prepare Memoranda Report on the results of post-evaluation with recommendation for the conversion of provisional permit to final permit if the sales machine is found to be compliant with the requirements of RR 11-2004 and RMO 10-2005, otherwise, require the taxpayer-user to reconfigure or enhance the system based on the compliance requirements provided by the abovementioned issuances;
- f. Convert the “Provisional Permit to Use” to Final “Permit to Use” using the eAccReg System to those who have complied with the requirements on CRM / POS and other similar sales machines pursuant to Revenue Regulations No. 11-2004 and Revenue Memorandum Order No. 10-2005 as recommended by the NMAB / RMAB;
- g. Issue the Final “Permit to Use” upon surrendering the “Provisional Permit to Use” previously issued to the taxpayer-user, and require them to attach the same to the specified CRM / POS / SPM and other similar sales machines, in a way that is clearly visible to the public;
- h. Require those who are not yet compliant to reconfigure / enhance / upgrade modify their CRM / POS and other similar sales machines within three (3) months from the time of the issuance of the “Provisional Permit to Use”, extendible **only once** for another three (3) months upon written notice / request for extension by the taxpayer-user, otherwise, the “Provisional Permit to Use” issued will be automatically revoked if the BIR requirements will not be complied with.

#### **IV. For the functions of other Offices:**

##### **A. *Quality Assurance Division (QAD) shall:***

- 1. Turn over documents on CRM / POS / SPM and other similar sales machines particularly the List of converted Provisional Permit to Final Permit to Use and the List of accredited suppliers in every RDO including LTAD I and II and LTDOs for purposes of decentralization on the issuance and the cancellation of the Permit to Use; and

2. Provide support and assistance on the usage of eAccReg System during the devolution process to LTAD I and II, LTDOs and RDOs.

**B. *Revenue Data Center-Help Desk / Information System Operations Service-Data Center shall:***

1. Attend to any internal issues / concerns on the technical aspect which may occur relative to the implementation of the herein procedures to attain the objective of decentralization and devolution regarding the issuance of “Permit to Use” CRM / POS / SPM and other similar sales machines through the eAccReg System.

**C. *BIR Contact Center shall:***

1. Attend to any questions / inquiries which may be brought out by any applicants / taxpayer-users applying for the “Permit to Use” CRM / POS / SPM and other similar sales machines through the eAccReg System, relative to the implementation of the herein procedures.

**D. *Information Systems Operations Service – Systems Operations Division (ISOS-SOD):***

1. Extract the List of “Permit to Use” CRM/POS/SPM and other sales machines issued to the branches of large taxpayers and forward the same to LTAD I & II/LTDOs, for monitoring purposes only; and
2. Receive BIR Form No. 1901 or 1903 and the Certificate of Registration of the taxpayer-users who are not yet uploaded in the Integrated Tax System (ITS) for immediate validation and encoding of registration information in the ITS Registration Database.

All concerned are hereby enjoined to be guided accordingly and to give this circular as wide a publicity as possible.

(Original Signed)  
**SIXTO S. ESQUIVIAS IV**  
Commissioner of Internal Revenue

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