



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

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RECORDS MGT. DIVISION
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J. Ortega
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February 16, 2015

REVENUE MEMORANDUM CIRCULAR NO. 23-2015

SUBJECT : Further Clarifying Problems, Issues and Concerns Raised on the Issuance of Withdrawal Certificates under Revenue Memorandum Circular No. 50-2014

TO : All Internal Revenue Officers and Others Concerned

This Circular is being issued to provide resolutions to Frequently Asked Questions (FAQ) relative to the issuance of a Withdrawal Certificate (WC) for every removal of petroleum products from the refinery, depot, or any storage facility as reiterated and clarified under Revenue Memorandum Circular (RMC) No. 50-2014:

1. Q. In preparing a WC, what are the prescribed information or entries to be Indicated therein?

A. The following information or entries shall be completely indicated in a WC:

- Name of Manufacturer/Importer
- Full Name and Address of Consignee
- Place of Final Destination
- Carrier/Truck Number
- Date Withdrawn
- Due Date of Payment
- Exact Description of the Product
- Volume and Amount of excise Tax Paid
- Whether Imported or locally Manufactured
- Whether Product is Bonded, Tax Exempt or Tax Paid under the "Remarks" Portion
- If imported, the Official Receipt No., Amount and Date of Payment
- PRDM No. with Corresponding Amount and Date, if payment is made thru Product Replenishment Debit Memo (PRDM)
- Tank Number if removed from a Storage Facility

2. Q. How is the WC distributed?

- A. Original Copy – Consignee
Duplicate Copy – Revenue Officer on Premise (ROOP)
Triplicate Copy - Refinery or Storage Depot/Facility

3. Q. Since a WC should be attested to by a Revenue Officer on Premise (ROOP), who will then attest to WCs issued by storage depots/facilities where no ROOPs are assigned?

A. Considering that petroleum products stored at storage depots/facilities are already tax paid and due to manpower constraint, the issuance of WCs without the attestation of ROOPs may be allowed. Provided that the depot/facility shall submit a monthly report (See Annex "A"), together with the Duplicate Copies of all WCs issued on or before the 8th day of the following month.

Oil depots/facilities located within Revenue Regions 4 (Bataan) to 9 (San Pablo) shall submit the report to the ELT Field Operations Division, 8th Floor, BIR National Office Building, Diliman, Quezon City; and for depots/facilities located outside Revenue Regions 4 to 9, the report shall be submitted to the Excise Tax Area (EXTA) Office having jurisdiction over the place of depot/facility.

4. Q. For depots/facilities with assigned ROOPs, who shall attest to the WCs in case the ROOP is not available?

A. The ROOP's Zone-in-Charge (Supervisor) shall attest to WCs issued by depots/facilities located within Revenue Regions 4 to 9 while the ROOP's Area Supervisor or EXTA Head shall attest to the WCs issued by depots/facilities located outside of Revenue regions 4 to 9.

5. Q. Whether a single WC is sufficient to cover the removal of different petroleum products in a single conveyance and intended to a single consignee?

A. It is hereby interpreted that the phrase "*for every removal of petroleum products*" under SEC. 36 of Revenue regulations (RR) No. 13-77 connotes delivery by batch, that is, each removal may contain more than one kind of petroleum products. Hence a single WC may cover the removal of various petroleum products under a single consignee.

6. Q. Whether the removal of a single or different petroleum products in a single conveyance but to be delivered to several consignees may be covered by a single or multiple WCs?

A. Inasmuch as the word "consignee" in SEC. 36 of RR No. 13-77 is in the singular form, separate WCs shall be issued for each and every consignee regardless of whether the shipment consist of a single or different petroleum products.

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7. Q. Whether a single WC can be issued to cover all removals of petroleum products from a loading terminal in a single day, considering the big volume of petroleum products removed daily by way of lorry tank trucks?

A. Since RMC No. 50-2014 specifically provides that "every transfer/shipment of petroleum products whether from the refinery or storage facility, regardless of the mode of conveyance shall be accompanied by a WC", the issuance of WC shall be on a per removal basis. Hence, each lorry or delivery tank shall be covered by a WC.

8. Q. Whether storage tank to storage tank transfers of petroleum products within a facility or depot require the issuance of a WC?

A. In the case of a storage facility/depot used by a single oil company, a WC is no longer necessary for tank to tank transfer of its petroleum products within the facility/depot. However, for a facility/depot used by different oil companies/lessees, a tank to tank transfer of petroleum product from one oil company/lessee to another is considered a removal, hence a WC is required.

9. Q. Whether a taxpayer can remove petroleum products without the prescribed WC in case he runs out of WC Forms?

A. In extreme cases of a taxpayer running out of stock of WC Forms but with pressing schedule of removals of petroleum products, he may be allowed to use temporarily any of the following in lieu of the WC:

1. Excise Tax Removal Declaration (ETRD) Forms issued to him by reason of his being a manufacturer of E-10 gasoline;
2. Any internal document such as Delivery Receipts which shall be attested to by the assigned ROOP.

Provided, that said internal documents are registered with the BIR in compliance with RR No. 18-2012;

Provided further, that these shall be allowed for a contingency period of not more than five (5) days;

And, provided finally, that this shall not occur more than once a year.

Subsequently, the Delivery Receipts or any internal documents used in lieu of the WC shall be assigned a single WC when the Forms become available.

10. Q. Whether an importer of lube additives is required to issue a WC to cover the removal of such additives from his warehouse for sale to a manufacturer of lubricating oil?

A. Yes, an importer of lube additives is required to issue a WC to accompany the removal of such additives from his warehouse to the manufacturer of lubricating oil inasmuch as lube additives are classified as petroleum products subject to excise tax under SEC. 148 of the National Internal Revenue Code of 1997, as amended.

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11. Q. Whether a Delivery Receipt is sufficient to support a WC inasmuch as the Sales Invoice may not usually be issued to the destination site at the time of delivery but to the consignee's business office?

A. A WC covering the delivery of petroleum products for sale shall be supported by a Sales Invoice and Delivery Invoice. For WC covering the delivery of petroleum products for transfer to another depot or storage facility or gas station owned by the oil company, a Delivery Receipt will be sufficient to support the WC provided that in both instances, the Delivery Receipt and Sales Invoice should be registered with the BIR in compliance with RR No. 18-2012.

12.Q. Whether all the information required in the very first WC issued that accompanied the original removal of the petroleum product from the refinery to a depot should also be indicated in the WCs of the succeeding removals of the products either for transfer to another depot or delivery to a retail station/end user?

A. Yes, except for the following:

- a) The name of depot shall be added next to the name of the manufacturer/consignor in the case of bulk transfer; and
- b) The due date of payment may already be dispensed with.

However, the storage tank number from where the product is to be removed shall be indicated in the WC.

13.Q. Whether all the information required in the very first WC issued that accompanied the first removal of an imported petroleum product destined/transferred to another depot, shall be the same information to be indicated in the WC of the transfer/removal of the said imported product to another storage depot or delivery to a retail station/end user?

A. Yes, except for the following:

- a) The name of depot shall be added next to the name of the importer/consignor;
- b) The due date of payment of excise tax may already be dispensed with; and
- c) The O.R. No., Amount and Date of Payment may also dispensed with.

However, the storage tank number from where the product is to be removed shall be indicated in the WC.

14.Q. Whether the indicated place of destination in the WC can be amended in the case of diversion of an ongoing delivery

A. SEC. 37 of RR 13-77 expressly provides that in case a change on the prepared WC is necessary, the consignor shall issue a new WC in lieu thereof.

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15.Q. How about Backload Deliveries?

- A.** Contaminated or below specifications ("off spec") petroleum products for delivery back to the consignor shall be accompanied by the same WC covering the original shipment together with the Delivery Receipt.

In case where a contaminated or "off spec" petroleum product is to be delivered back to the place of production or refinery for reprocessing, a prior permit shall also be secured before the delivery is effected.

All Revenue Officials concerned are requested to give this Circular as wide a publicity as possible.

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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