REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

July 21, 2020

REVENUE MEMORANDUM ORDER NO. 27-2020

SUBJECT : BIR Digital Transformation Roadmap 2020-2030

TO : All Internal Revenue Officials, Employees, and Others Concerned

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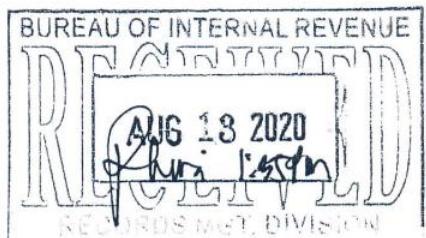
I. BACKGROUND

The present administration's mandate is to make real and meaningful change for the people. To realize this mandate, the government formulated the 10-Point Socio-Economic Agenda which outlines the priorities of the government to accelerate and sustain economic development and fulfill its promise to achieve *"AmBisyon Natin 2040"* that envisions a Matatag, Maginhawa, at Panatag na Buhay for all.

The Bureau of Internal Revenue (BIR), as the primary revenue generating agency, plays an important role in ensuring sufficient funding to meet the country's development goals and achieve our long-term vision and aspiration. The BIR is tasked to consistently achieve increasing revenue targets to meet equally increasing demands. Hence, BIR needs to improve further its existing capabilities, policies, processes, and systems through digital transformation. The BIR Digital Transformation is in response to the Secretary of Finance's call for the BIR to sustain its efforts towards completely modernizing tax administration that is consistent with the objectives of the comprehensive tax reform program, particularly to make tax compliance easier which is aligned with Republic Act (RA) No. 11032, "An Act of Promoting Ease of Doing Business and Efficient Delivery of Government Services".

In recognition of BIR's need to adapt to and take advantage of the fast evolving digital economy and further improve efficiency in revenue collection, the BIR initiated activities in 2019 to prepare for its digital transformation journey and come up with a common understanding of what the BIR envisions for 2030. Thus, a series of briefing/trainings and consultation workshops were conducted to develop the BIR Digital Transformation (DX) Roadmap.

In particular, the BIR Digital Transformation Roadmap articulates how the "reengineering" referred to in the BIR Strategy 2019-2023 can be effectively implemented. The DX Roadmap incorporates the tools necessary to maximize existing resources at the BIR and ensure maximized value out of the organization. The DX roadmap is anchored on three principles, namely: **(i) adopting a people first approach, (ii) instituting a process perspective, and (iii) embracing digital technology**, with the digital transformation mindset as its foundation.

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II. OBJECTIVES
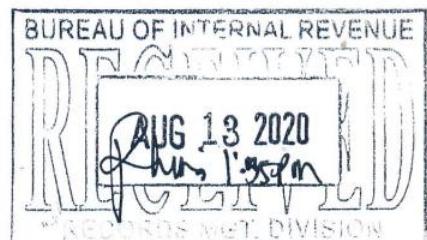
This Order is issued to prescribe the **BIR Digital Transformation (DX) Roadmap 2020-2030** which enumerates the programs, outcomes and corresponding timelines that will help the BIR in carrying out its mission to improve revenue collections to fund the national government programs and initiatives under the 10-Point Socio-Economic Agenda.

III. POLICIES AND GUIDELINES

1. The BIR Digital Transformation (DX) Roadmap for CY2020-2030 (Annex "A") shall contain the BIR DX Vision 2030, the DX Strategy Theme with Outcomes and the Project Timeline to be implemented per DX Phase, to wit:

   a. **Phase 1 (2020-2023)**: Build the DX Foundation - Engage and build the DX culture within the BIR in streamlining current taxpayer services;
   b. **Phase 2 (2024-2030)**: Strengthen DX in BIR - Leverage on data and digital technology within BIR for better taxpayer services.

2. The implementation of the two (2) BIR DX Roadmap Phases shall comprise of four (4) major DX Themes with corresponding outcomes, as follows:

   PHASE I (coverage: 2020-2023)

   a. **Theme 1: People first and elevated taxpayer experience** (2020-2021)
   Outcomes:

   - BIR employees can readily service Taxpayer's needs and enhance Taxpayer experience at the RDO/LTS level
   - Elevated Taxpayer experience through online registration, filing and payment, including those into digital transactions
   - Latest tax information at Taxpayer's fingertips
   - Make use of Taxpayer data to profile and understand Taxpayer behavior

   b. **Theme 2: Anytime, Anywhere Taxpayer Service** (2022-2023)
   Outcomes:

   - Convenient, accessible and fast registration, filing and payment for all Taxpayers
   - Service Oriented BIR
   - Enhanced information sharing across the BIR organization
   - Responsive IT architecture and infrastructure
   - 24/7 TP access to BIR

PHASE II (coverage: 2024-2030)

   c. **Theme 3: Strengthening the BIR Digital Organization & Infrastructure** (2024-2026)

      Outcomes:

- Continuous improvement of taxpayer services through faster adoption of digital technology
- 360 view of Taxpayer
- 360 view of personnel/records
- Platform for tax the digital economy transactions

   d. **Theme 4: Leveraging taxpayer data for managing tax services** (2027-2030)

      Outcomes:

- Data driven collection, audit and enforcement
- Offer customized TP service

3. The BIR DX Roadmap shall be composed of four (4) major programs (Annex "B") with corresponding initiatives, as follows:

   a. **Innovating TP Experience and BIR Service Processes** – for elevating taxpayer experience and innovating BIR processes;

   b. **Enhancing Administration and Support Services of BIR** – for driving efficiency on BIR internal processes;

   c. **Aligning Policies to a BIR Digital Workplace** – for reformulating BIR policies and National Internal Revenue Code to enable DX in BIR.
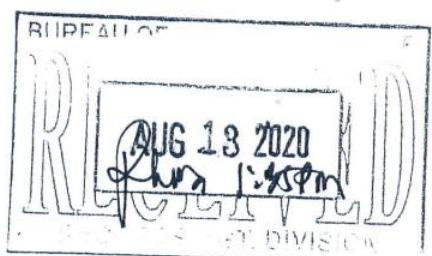
   d. **Enabling the Digital Backbone of BIR** – for adopting and integrating digital technology in BIR;

4. Offices concerned shall ensure that all other programs, projects and activities to be undertaken are aligned with the BIR DX Roadmap 2020-2030 and shall strictly refer to this memorandum as guide.

5. The programs and initiatives under the BIR DX Roadmap for CY 2020-2030 shall be reviewed/revisited annually and or updated as the need arises. Consequently, any changes made thereto must be approved by the MANCOM.

IV. REPEALING CLAUSE

All revenue issuance or portions thereof inconsistent herewith are hereby repealed or amended accordingly.

V. EFFECTIVITY

This order takes effect immediately and hereby directs all revenue officials and employees to refer to this Revenue Issuance as their guide in executing the BIR DX Roadmap program.
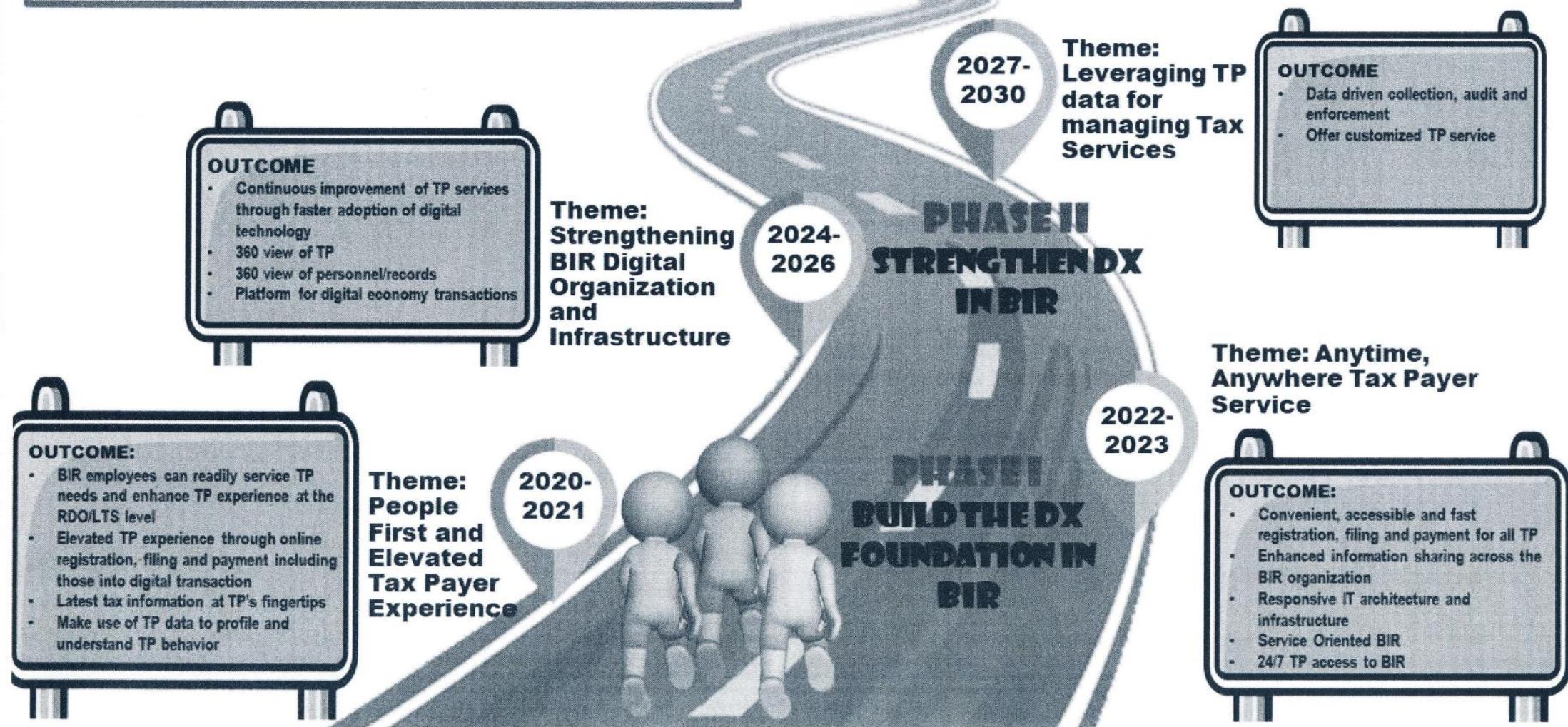
CAESAR R. DULAY
Commissioner of Internal Revenue

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THE BIR DX ROAD MAP (THE PATH TO DX VISION 2030)

Success ↑

"Digitally Transformed Institution providing convenient, reliable, and transparent service to Philippine Taxpayers"

2027-2030

Theme: Leveraging TP data for managing Tax Services

OUTCOME
- Data driven collection, audit and enforcement
- Offer customized TP service

OUTCOME
- Continuous improvement of TP services through faster adoption of digital technology
- 360 view of TP
- 360 view of personnel/records
- Platform for digital economy transactions

Theme: Strengthening BIR Digital Organization and Infrastructure

2024-2026

PHASE II STRENGTHEN DX IN BIR

Theme: Anytime, Anywhere Tax Payer Service

2022-2023

OUTCOME:
- BIR employees can readily service TP needs and enhance TP experience at the RDO/LTS level
- Elevated TP experience through online registration, filing and payment including those into digital transaction
- Latest tax information at TP's fingertips
- Make use of TP data to profile and understand TP behavior

Theme: People First and Elevated Tax Payer Experience

2020-2021

**PHASE I BUILD THE DX FOUNDATION IN BIR**

OUTCOME:
- Convenient, accessible and fast registration, filing and payment for all TP
- Enhanced information sharing across the BIR organization
- Responsive IT architecture and infrastructure
- Service Oriented BIR
- 24/7 TP access to BIR

BIR DX ROADMAP PROGRAMS AND INITIATIVES
2020 - 2030

PROGRAM	PHASE I — People First and Elevated TP Experience (2020, 2021)		Anytime, Anywhere Tax Payer Service (2022, 2023)		PHASE II — Strengthened BIR Digital Org and Infra (2024, 2025, 2026)			Leveraging TP data for managing Tax Services (2027, 2028, 2029, 2030)			
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Innovating Taxpayers' Experience and BIR Service Processes Lead: ACIR, Client Support Service Co-Leads: ACIR, Assessment Service & ACIR, Collection Service	Process streamlining and standardization of TP services (front line/NO)										
	Build BIR online presence for TP registration, filing and payment		Expand/enhance BIR online presence for TP registration, filing and payment		Integrated systems and automated exchange of info						
			Build BIR mobile for TP registration, filing and payment								
	Processes/Policies to capture digital economy										
			Platform for digital economy taxation								
Enhancing Administration and Support Services of BIR Lead: ACIR, Human Resource & Development Service Co-Leads: ACIR, Finance Service & ACIR, Administrative Service	Capability building: Process improvement (LEAN), Project management		Capability building: design thinking, agile, online training needs, analytics								
	Review and establish organization structure aligned to DX - EO 366, BIR-ISG, LTS structure, data analytics										
	HR system foundation: PPMIS Payroll systems, Biometrics		HRIS complete		360 view of personnel/records			Monitoring of BIR personnel			
Aligning Policies to a Digital Workplace Lead: ACIR, Legal Service Co-Leads: ACIR, Planning & Management Service, ACIR, Enforcement Service and ACIR, Internal Affairs Service	Align tax rules and regulations to capture digital economy										
	Establish collaboration spaces and tools (Pilot legal projects) and policy of its use		TP Segmentation								
	Review, draft tax rules and revised BIR regulations to be consistent in support with DX program										
	Establish enterprise risk and data management framework										
Enabling the Digital Backbone of the BIR Lead: ACIR, ISPMS Co-Lead: ACIR, ISDOS	IT capacity building										
	IT Enterprise Architecture (EA) Assessment and Design										
	IT Infrastructure Upgrade and Cloud Strategy										
	Core System Releases										
	Development of Taxpayer (Front-End) Systems		Core Systems Development and Enhancement								
	Use of Dev Tools										

Legend: PROCESSES | POLICIES | SYSTEMS