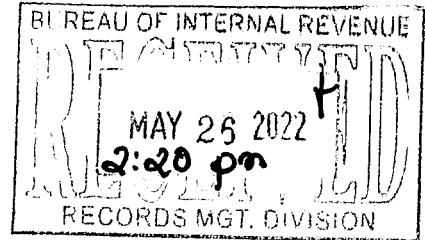




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City



May 12, 2022

REVENUE MEMORANDUM ORDER NO. 29-2022

SUBJECT : Policies and Guidelines in the Conduct of Public Auction of Distrainted Personal Properties, Seized/Levied Real Properties and Acquired Personal and Real Assets

TO : All Internal Revenue Officials, Employees and Others Concerned

I. BACKGROUND

With the institutionalization of the Centralized Arrears Management, some of the duties and responsibilities of Seizure Agents and concerned Collection Offices have been restructured. In this connection, there is a need to formulate certain policies and procedures for the administration of the execution of summary remedies including the conduct of auction sale for distrainted personal properties, seized/levied real properties and acquired personal and real assets. The updated policies and guidelines for the conduct of public auction sale for distrainted, levied and acquired assets shall be provided in this memorandum order.

II. OBJECTIVES

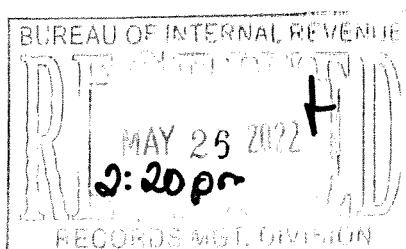
This Order is issued to:

1. Update procedures in the conduct of public auction sale for distrainted personal properties, seized/levied real properties and acquired personal and real assets;
2. Identify the responsible Offices for the conduct of public auction sale;
3. Determine the appropriate minimum bid/floor price, as well as the qualification of bidders; and
4. Delineate other duties and responsibilities of concerned offices.

III. DEFINITION OF TERMS

1. **Personal Property** - consists of those movable properties (chattels/personality) which may include personal tangible assets (e.g. machineries, furniture and fixture, equipment, etc.) or intangible assets (e.g. shares of stocks, deposits in banks, bonds, securities, etc.).

2. **Real Property** - refers to any land and the improvements introduced to it that are made by human efforts (buildings, acquisition of various property rights, machineries that are permanently attached to the land, and the like).
3. **Distrainted and Levied Properties** – pertains to a personal and real property that has been seized by the Bureau which will be sold through public auction to satisfy the tax liability of a delinquent taxpayer who failed to pay his/her tax obligation.
4. **Acquired Assets** - refers to personal properties subject of an auction proceeding under Section 209 of the Tax Code, as amended, that were declared purchased in favor of the government pursuant to Section 212 of the Tax Code, as amended, as well as the real properties subject of an auction proceeding under Section 213 of the Tax Code, as amended, that were declared forfeited in favor of the government pursuant to Section 215 of the Tax Code, in partial or full satisfaction of the delinquent taxpayer's tax liabilities where, in case of real properties, the one (1)-year redemption period has already lapsed. (Note: There is no redemption for personal properties declared purchased in favor of the government).
5. **Authorized Government Depository Banks (AGDB)** - refers to a bank where government entities are allowed by law to deposit their funds and maintain depository accounts or by way of exception, a bank authorized by the Department of Finance (DOF) and the Monetary Board (MB) of the Bangko Sentral ng Pilipinas (BSP) to be a government depository bank.
6. **Notice of Sale (NOS)** - refers to the public notification for the auction sale of distrained, levied or acquired assets which contains, among others, the list of the assets to be sold including their respective classifications and the minimum bid/floor prices.
7. **Public Auction Sale** - refers to a mode of sale being made in behalf of the government in which personal or real properties are being sold to multiple buyers through competitive bidding where the potential buyers are given equal chance to compete on the basis of their bid prices/offers which should be equal to or more than the set minimum bid/floor price. The properties covered by the sale are distrained personal properties, seized/ levied properties and acquired personal and real properties absolutely owned by the government.
8. **Redemption Period** - it is the one (1) year grace period, from the date of sale, given to the delinquent taxpayer-owner of a certain real property subject of a public auction proceeding within which to redeem the property.
9. **Date of Sale** – Pertains to the date of registration of the Certificate of Sale or the Declaration of Forfeiture of Real Property in favor of the government in the Office of the Registry of Deeds or Assessor's Office for untitled properties and not to the date when the property was sold in a public auction.
10. **Escrow Account** - refers to a bank account in an AGDB which shall be raised by a winning bidder for payment of a real property sold through public auction. In case of redemption, the delinquent taxpayer shall include payment of Escrow Account fee.



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11. **Independent Appraiser** – an unbiased professional appraiser who shall determine or shall suggest for the market value of a real property in a public auction.
12. **Mega Revenue Regions** - refers to Revenue Region Nos. 4-Pampanga, 5-Caloocan, 6-Manila, 7A-Quezon City, 7B-East NCR, 8A-Makati, 8B-South NCR, 9A-CABAMIRO, 9B-LAQUEMAR and LTS.

IV. POLICIES AND GUIDELINES

A. The following policies and guidelines shall be observed by all concerned in the disposal of distrained and levied properties:

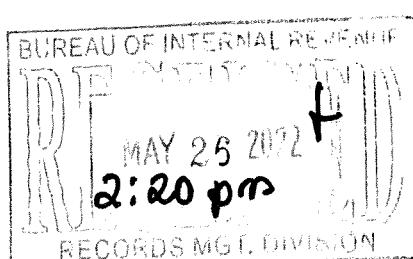
1. Disposal of distrained and levied properties taken for the payment of the tax liabilities of delinquent taxpayers shall be done by the following Offices:
 - a. Regional Collection Division – Arrears Management Section (RCD-AMS);
 - b. Large Taxpayers Collection Enforcement Division (LTCED);
 - c. Large Taxpayers Division – Cebu/Davao; and
 - d. Accounts Receivable Monitoring Division – Collection Enforcement Monitoring Section (ARMD-CEMS).

The Office which seized, distrained or levied the properties shall be the one to dispose the same, regardless of the geographical location of the property seized, provided the delinquent taxpayer-owner is within its jurisdiction.

2. A Bids and Awards Committee (BAC) shall be created by the concerned Regional Office/Service for the purpose of the disposal of distrained or levied properties.
3. The public auction sale of personal or real property shall be done on an “AS IS WHERE IS BASIS”. Disposal of real properties shall be on a title by title basis, while by lot or on a per item basis may be done for personal properties, whichever is deemed most beneficial to the government and practicable by the concerned BAC.
4. Prior NOS shall be required as follows:
 - a. Personal Properties – Posting of NOS (Annex 1) in not less than two (2) public places in the municipality or city where the constraint is made.
 - b. Real Properties – Posting of the NOS in not less than two (2) public places in the municipality or city where the property is located and publication once a week for three (3) consecutive weeks in a newspaper of general circulation.

One place for the posting of NOS shall be at the office of the Mayor of the City or municipality where the property is located.

5. The auction sale shall be conducted on the date, time and place specified in the NOS.



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6. The NOS shall contain the following information:
 - a. Place of Sale;
 - b. Date and Time of Sale;
 - c. Owner of the Property;
 - d. Description of Personal/Real Properties (Title/Tax Declaration No., Classification, Location, Area);
 - e. Amount of Minimum Bid; and
 - f. Authorized Signatory.
7. The sale of distrained, levied properties and acquired assets in a public auction shall be done through sealed bids to be witnessed by a representative of the COA. The COA representative shall be invited to attend and witness the auction sale. However, if the COA representative fails to attend, the auction sale may still proceed and shall be considered valid.
8. The Minimum Bid/Floor Price shall be the following:

8.1 Personal Properties

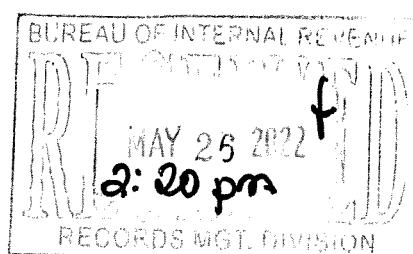
- a. Appraised value determined by an appropriate independent appraiser contracted by BIR; or
- b. With respect to shares of stocks, the Minimum Bid/Floor Price shall be the book value based on the latest audited financial statements of the issuing company that are compliant with the fair value accounting under the Philippine Financial Reporting Standards (PFRS) prescribed by the Securities and Exchange Commission (SEC). Provided that the BIR may directly trade stocks listed in the Philippine Stock Exchange (PSE), only through a PSE accredited/licensed stock broker.

8.2 Real Properties

For Seized properties:

- a. The latest Fair Market Value (FMV) as determined by the Commissioner based on the prevailing Department Order bearing on the published Schedules of Zonal Values of Real Properties; or
- b. The FMV shown in the latest tax declaration issued by the provincial, city or municipal assessor.

Only bids equal to or higher than the set floor price/minimum bid price shall be accepted by the concerned BAC.



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9. A bid bond equivalent to 10% of the minimum bid price per item/lot shall be required from each bidder which shall accompany the Application for Bid, which shall form part of the payment of the winning bidder. The bid bond may be:
 - a. Manager's check or cashier's check, payable and duly issued in the name of the "Bureau of Internal Revenue";
 - b. Cash in Philippine currency; or
 - c. Combination thereof.

Only the bid bond of the winning bidder shall be issued a corresponding Official Receipt by the Revenue Collection Officer/Special Collecting Officer (RCO/SCO). The amount of bid bonds posted by losing bidders shall be returned immediately after the public auction of a particular property.

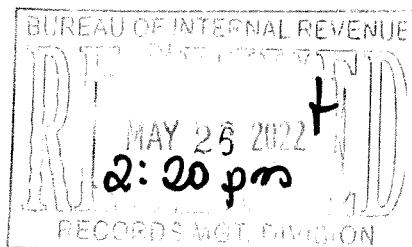
Posting or presenting a bid bond in an amount less than 10% of the floor/minimum bid price automatically disqualifies the prospective bidder from participating in the scheduled public auction.

10. In cases where only a single bidder participated in the public auction of distrained/levied property, the bid price on the said property offered by the single bidder may be accepted, with the official declaration thereafter that the single bidder as the winning bidder on the distrained/levied property, subject to the prescribed minimum amount of the bid price and posting of the ten percent (10%) bid bond thereon.

The distrained and levied property may be excluded from the auction at any time on or before the day fixed for the sale when the delinquent taxpayer satisfy any of the following:

- a. Payment of liability per sec. 215 of the National Internal Revenue Code (NIRC);
- b. Availment of remedies under sec. 204 of the NIRC;
- c. Availment of tax amnesty program; or
- d. Court orders/Injunctive.

With the settlement of the tax liability, either through full payment and/or approved settlement application, the BIR shall return the distrained personal properties to the delinquent taxpayer and/or effect the lifting of the Notice of Tax Lien (NTL)/ Notice of Levy (NOL) on the levied real properties with the concerned Registry of Deeds and/or Assessors Office.



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11. Payment of Bid Amount by the Winning Bidder.

a. For Distrained Properties:

If the amount of bid is less than or equal to the Outstanding Tax Liability (OTL), including the delinquency penalties and interest that has accrued thereto up to the date of sale and the expenses of sale, require the winning bidder to pay in cash or in Manager's Check payable to the Commissioner of Internal Revenue. Prepare BIR Form No. 0605 for partial or full payment of the tax due and issue the corresponding Revenue Official Receipt (ROR) for the amount to be credited to the tax liability and Official Receipt for the amount of the expenses of sale.

If the amount of bid is more than the OTL, including the delinquency penalties and interest that has accrued thereto up to the date of sale and the expenses of sale, require the winning bidder to pay in cash or in Manager's Check payable to the Commissioner of Internal Revenue separately for the amount to be credited to the OTL, including the expenses of the seizure and sale, and to the delinquent taxpayer for the excess of the proceeds of the sale.

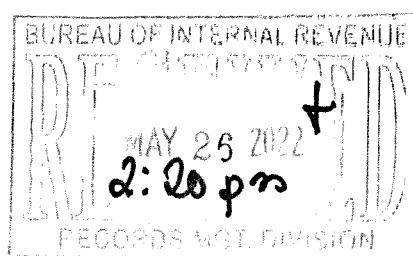
If the delinquent taxpayer is willing to accept the excess of the proceeds of the sale, require him/her to issue an acknowledgement receipt for the amount he will receive.

If the delinquent taxpayer refuses to accept the same, refer the case to the Legal Division/Legal Group for consignment to the proper court. The delinquent taxpayer shall be notified of this action.

b. For Sale of Levied Properties:

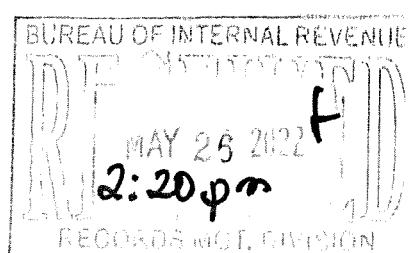
Require the winning bidder to open an escrow account in an Authorized Government Depository Bank (AGDB) within the jurisdiction of the Office which conducted the sale or has jurisdiction over the delinquent taxpayer:

- i. If the winning bid amount is greater than the OTL, the amount to be deposited in the escrow account shall be the amount to be credited to the tax liability including surcharges and interest plus expenses of the sale. The excess of the proceeds from the auction sale of real properties shall be returned to the delinquent taxpayer. If the delinquent taxpayer refuses to accept the same, refer the case to the Legal Division/Legal Group for consignment to the proper court. The delinquent taxpayer shall be notified of this action.
- ii. If the winning bid amount is equivalent to or less than the OTL, the amount to be deposited in the escrow account shall be the entire purchase price.
- iii. A copy of the Escrow Account agreement and other pertinent documents required by the BIR relative to such agreement must be submitted by the winning bidder to the Bureau as proof of payment for the auctioned property.



- iv. The escrow amount shall not be released for payment of the tax liabilities of the delinquent taxpayer until after the lapse of the one-year redemption period. If the delinquent taxpayer fails to exercise his/her/its right to redemption, a Notice of Release of Escrow Deposit, shall be issued by the concerned winning bidder to the bank for the release of the escrow amount to the BIR before the issuance of a Deed of Conveyance to the winning bidder. The corresponding revenue official receipt (ROR) shall be issued by the Administrative and Human Resource and Management Division (AHRMD) of the concerned Regional Office where the auction sale was conducted on the release of the escrow amount as full or partial payment of the tax liability/ies of the delinquent taxpayer.
12. Redemption of the Levied Property Sold at Public Auction:
- During the redemption period, the delinquent taxpayer shall not be deprived of the possession of the said property and shall be entitled to the rents and other income therefrom until the expiration of the time allowed for its redemption.
 - Redemption of the auctioned real property in cases of the following scenarios:
 - If the property is sold to the winning bidder where the purchase price is less than the OTL including the delinquency penalties, the amount to be paid by the delinquent taxpayer shall include the following:
 - Outstanding tax liability;
 - Delinquency increments;
 - Costs of seizure;
 - Maintenance and preservation of the levied property;
 - Cost of publication; and
 - All other expenses incurred prior to the auction sale.
 - If the property is declared forfeited by the government for failure of bidding where the value of the property declared forfeited is enough to cover the OTL including the delinquency penalties, the delinquent taxpayer or his legal representative may redeem the property by paying the outstanding tax liabilities, penalties and interest thereon computed from the date of delinquency to the date the property was sold in a public auction, the maintenance and preservation of the levied property, and the expenses of sale, within one (1) year from the date of declaration of forfeiture was registered with the Registry of Deeds/Assessor's Office who has jurisdiction over the property.
 - If the property is declared forfeited by the government for failure of bidding where the value of the property declared forfeited is not enough to cover the OTL including the delinquency penalties, the delinquent taxpayer or his legal representative may redeem the property by paying the outstanding tax liabilities, penalties and interest thereon computed from the date of

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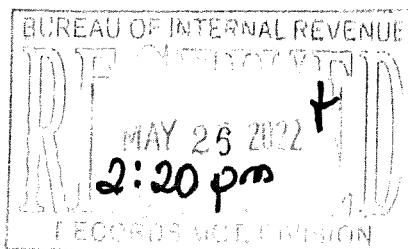


delinquency to the date of redemption after deducting the value of the property declared forfeited, the maintenance and preservation of the levied property, and the expenses of sale, within one (1) year from the date of declaration of forfeiture was registered with the Registry of Deeds/Assessors' Office who has jurisdiction over the property.

- c. Payment of the redemption amount shall be in cash or manager's check.
 - d. In case the delinquent taxpayer exercises the right of redemption, a Notice of Release of Escrow Deposit, shall be issued by the BIR Office that conducted the auction to the bank and the escrow deposited shall be released by the bank to the winning bidder.
13. The Commissioner or his duly authorized representative shall purchase/forfeit the distrained/levied property in the name of the National Government in case of failure of bidding. A declaration of forfeiture shall be issued and filed with the Registry of Deeds/Assessors' Office who has jurisdiction over the property.
 14. For the auction of distrained property, the BIR shall issue a Certificate of Sale of Personal Property to the winning bidder upon full payment of the bid amount or a Bill of Sale if the properties sold are stocks or other securities. The sale of personal property is absolute and such property is not subject to redemption by the delinquent taxpayer.
 15. For the auction of levied Real Property, a Certificate of Sale of Real Property shall be issued to the winning bidder after full amount of the bid amount has been deposited in an escrow account by the winning bidder. A one-year redemption period is provided for the delinquent taxpayer. In case of non-redemption, a Deed of Conveyance shall be issued to the winning bidder.
 16. The remedy by distressment of personal property and levy on real property may be repeated if necessary until the full amount of the tax due, including the penalties incident to delinquency that has accrued thereto has been paid by the delinquent taxpayer.

B. Policies and guidelines for the conduct of public auction of acquired assets:

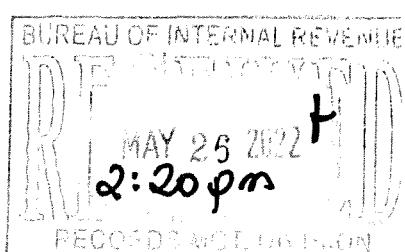
1. Disposal of Acquired Properties within Revenue Region (RR) No. 4 to 9B shall be done by FAMU. For other RRs, their respective Regional Collection Division shall be responsible for the disposal of acquired properties within their jurisdiction.
2. A Bids and Awards Committee-Acquired Assets (BAC-AA) shall be created both in the Regional Offices (Non-Mega Regions) and in the National Office (Mega Regions), to administer and supervise the disposal of all acquired assets thru public auction.
3. The public auction sale of the personal or real property shall be done on an "AS IS WHERE IS BASIS". For real properties, the disposal thereof shall be on a title by title basis, while personal properties, the auction sale thereof may be done by lot or on a per item basis, whichever is deemed most beneficial to the government and practicable by the concerned BAC-AA, in consultation with the COA.



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4. The auction sale shall be conducted on the date, time and place specified in the NOS (Annex 5).
5. The NOS shall contain the following information:
 - a. Place of Sale;
 - b. Date and Time of Sale;
 - c. Description of Personal/Real Properties (Title/Tax Declaration No., Classification, Location, Area);
 - d. Amount of Minimum Bid;
 - e. Authorized Signatory; and
 - f. A statement that "THE GOVERNMENT RESERVES THE RIGHT TO REJECT OR CANCEL ANY OR ALL BIDS."
6. A COA representative shall be invited to attend and witness the auction sale. However, if the COA representative fails to attend, the auction sale may proceed and shall be considered valid. The sale of acquired assets in a public auction shall be done through sealed bids to be witnessed by a representative of the COA.
7. The Minimum Bid/Floor Price shall be the highest among the following:
 - a. The latest FMV as determined by the Commissioner based on the prevailing Department Order bearing on the published Schedules of Zonal Values of Real Properties;
 - b. The FMV shown in the latest tax declaration issued by the provincial, city or municipal assessor;
 - c. Assess value as determined by an independent appraiser contracted by the BIR;
Provided that an independent appraiser may only be contracted by the BIR when the FMV as determined under paragraph (a) is already beyond three years and is due for updating as required under Revenue Memorandum Order (RMO) No. 31-2019. Provided further, That for properties with improvement thereon, an independent appraiser shall be contracted by the BIR for the determination of the FMV thereof, notwithstanding the existence of an updated zonal value; or
 - d. With respect to shares of stocks, the Minimum Bid/Floor Price shall be the book value based on the latest audited financial statements of the issuing company that are compliant with the fair value accounting under the Philippine Financial Reporting Standards (PFRS) prescribed by the Securities and Exchange Commission (SEC). Provided that the BIR may directly trade stocks listed in the Philippine Stock Exchange (PSE), only through a PSE accredited/licensed stock broker.



8. A bid bond equivalent to 10% of the minimum bid price per item/lot shall be required from each bidder which shall accompany the Application for Bid, which shall form part of the payment of the winning bidder. The bid bond may be:
 - a. Manager's check or cashier's check, payable and duly issued in the name of the "Bureau of Internal Revenue";
 - b. Cash in Philippine currency; or
 - c. Combination thereof.

Only the bid bond of the winning bidder shall be issued a corresponding Official Receipt by the AHRMD/Special Collecting Officer (SCO). The amount of bid bonds posted by the losing bidders shall be returned immediately after the public auction of a particular property.

Posting or presenting a bid bond in an amount less than 10% of the floor/minimum bid price automatically disqualifies the prospective bidder from participating in the scheduled public auction.

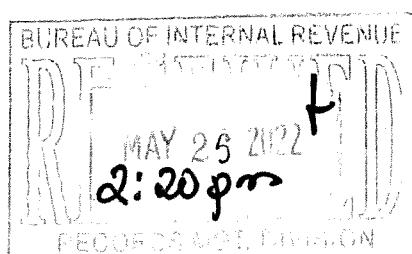
9. In cases where only a single bidder participated in the public auction of acquired assets, the bid price on the said property offered by the single bidder may be accepted, with the official declaration thereafter that the single bidder as the winning bidder on the acquired assets, subject to the prescribed minimum amount of the bid price and posting of the ten percent (10%) bid bond thereon.
10. The registered bidder who submits the highest bid shall be declared as the winning bidder, and shall be awarded the auctioned property. In case of tie-bids, a new sealed bidding shall be immediately conducted until such time that the same is broken.

The winning bidder shall pay the full amount of his bid within two (2) working days from receipt of the Notice of Award, either in cash or manager's check to the Commissioner of Internal Revenue or the Bureau of Internal Revenue, thru the office that conducted the auction.

Failure or refusal of the winning bidder to pay the full amount of the bid within the prescribed period, unless the Commissioner allows an extension of time to the winning bidder within which to fully pay the bid price, shall render the winning bidder in default and the award void. The bidder's bond shall be forfeited in favor of the government.

In case of default by the winning bidder, the next highest bidder, after being duly notified, may increase his/her bid to the amount equal or higher than that of the defaulting winning bidder and shall be awarded the auctioned property.

11. The previous owner or current occupant of the property or his duly authorized representative through a valid Special Power of Attorney (SPA) may increase his bid in an amount more than the offer of the declared highest bidder before the BAC-AA Chairman bangs the gavel for the declaration of the winning bidder, provided that:



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- a. He/she participated in actual bidding; and
- b. Inserted in his/her bid envelope any of the following proofs of occupancy indicating the address of the subject property:
 - i. Barangay Certificate of Residency;
 - ii. Valid government issued ID; and
 - iii. Latest billing statement under the Bidder's Name from two (2) service providers.

In cases where both the previous owner and the current occupant participated in the auction sale, the previous owner shall be given priority over the current occupant. If the previous owner is deceased, the same privilege shall be given to the heirs.

12. All awards made by BAC-AA shall be subject to prior clearance/confirmation by the Commissioner, as reflected in the Report of Acquired-Assets Sold through Public Auction for Confirmation/Approval.

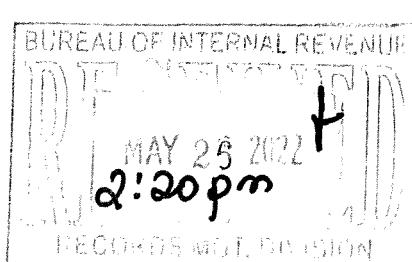
Any of the following instances shall constitute sufficient ground for the cancellation of the awards and/or contracts:

- a. Fraudulent acquisition of the property;
- b. Violation of the terms and conditions of the award;
- c. Violation of the terms and conditions in the Deed of Absolute Sale;
- d. Violation of existing laws, rules, regulations, and ordinances;
- e. Failure to pay the bid amount in full within two (2) days from receipt of Notice of Award; and
- f. Other instances analogous to the above-mentioned grounds.

Acquired real assets repossessed through cancellation of award or sale shall be re-disposed of in accordance with the same policies and procedures prescribed herein.

All the applicable taxes and expenses relative to the transfer of ownership, from Republic of the Philippines to the winning bidder, as well as the issuance of the necessary certificate of title and/or tax declaration shall be borne by the winning bidder.

The winning bidder shall be responsible for the ejection of informal settlers and/or occupants, if any, at his own expense, on the auctioned real property and in



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hauling/transporting the auctioned personal properties from the auction site to the intended place of destination.

V. PROCEDURES

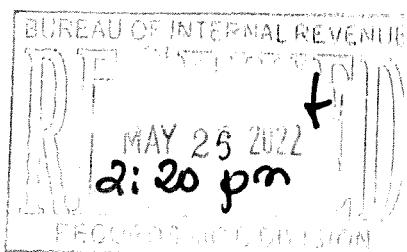
1. Procedures for the public auction sale of Distrained and Levied properties

A. Auction Sale of Distrained Personal Property

The BAC shall:

1. Start the auction sale by reading the NOS aloud for everyone present to hear and set the minimum bid of the government;
2. Call all the participants or bidders. The name of the delinquent taxpayer or his/her representative shall also be called whether present or not;
3. Record the names and addresses of the bidders present as well as the witnesses of the bidding process;
4. Distribute the Guidelines for the Auction Sale and the Application for Bid Forms. The Bid Form shall contain the description of the property, name of the delinquent taxpayer and the terms of payment. Spaces shall also be provided for the name and address of the bidder, the amount of bid and the mode of payment;
5. Gather all the Bid Forms from all the participating bidders;
6. Post the quoted prices of the bidders in the Abstract of Canvass;
7. Determine the highest bidder;
8. Pronounce the highest bidder as the winner;
9. If the amount of bid is less than or equal to the OTL, including the delinquency penalties and interest that has accrued thereto up to the date of sale and the expenses of sale, require the winning bidder to pay in cash or in Manager's Check payable to the Commissioner of Internal Revenue. Prepare BIR Form No. 0605 for partial or full payment of the tax due and issue the corresponding Revenue Official Receipt (ROR) for the amount to be credited to the tax liability and Official Receipt for the amount of the expenses of sale.

If the amount of bid is more than the OTL, including the delinquency penalties and interest that has accrued thereto up to the date of sale and the expenses of sale, require the winning bidder to pay in cash or in Manager's Check payable to the Commissioner of Internal Revenue separately for the amount to be credited to the OTL, including the expenses of the seizure and sale, and to the delinquent taxpayer for the excess of the proceeds of the sale;



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10. Deliver to the delinquent taxpayer any excess of the proceeds of the sale. If the delinquent taxpayer refuses to accept the same, refer the case to the Legal Division/Legal Group for consignment to the proper court. The delinquent taxpayer shall be notified of this action.

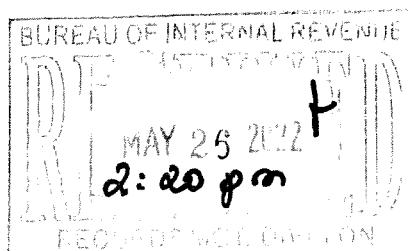
If the delinquent taxpayer is willing to accept the excess of the proceeds of the sale, require him/her to issue an acknowledgement receipt for the amount he will receive;

11. Issue a Certificate of Sale of Personal Property to the winning bidder upon full payment of the bid amount, execute a Bill of Sale if the properties sold are stocks or other securities, and deliver to the buyer. The Bill of Sale shall be presented to the corporation, company or association who shall make the corresponding entry in its books, transfer the stocks, or other securities sold in the name of the buyer, and issue, if required to do so, the corresponding certificates of stocks or other securities;
12. Pronounce that the property is purchased by the government at sale, if all the bids are lower than the minimum bid of the government, or, if there is no interested bidder; and
13. Prepare Minutes/Report of a Tax Sale to RCD-AMS/LTCED/ARMD-CEMS within five (5) days after the sale and attach copy of the report to the docket as official record; the report shall recite the actual proceedings of the sale, how it was conducted and all pertinent matters regarding the same.

A.1 Release of Distrainted Property to the Delinquent Taxpayer

The RCD-AMS/LTCED/ARMD-CEMS shall:

1. Receive copy of the proof of payment (validated BIR Form No. 0605/Confirmation receipt/ROR) made by the delinquent taxpayer prior to the sale and confirm validity of such payment in the ITS-CBR;
2. Require the delinquent taxpayer to reimburse all expenses attendant to seizure/preservation and maintenance of distrainted property as well as other expenses incurred prior to the sale thereof;
3. Prepare a Memorandum of Release of Distrainted Property (Annex 2) containing the list of the seized items and forward the same to the authorized signatory for signature;
4. Require the delinquent taxpayer to acknowledge receipt of the Memorandum returning his property by affixing his/her signature in both copies of the Memorandum;
5. Require the delinquent taxpayer to physically remove/retrieve the distrainted properties from BIR custody and/or turn-over immediately to the same, the stock certificates, bonds and other readily movable items;
6. Attach the original copy of the Memorandum to the docket of the case;



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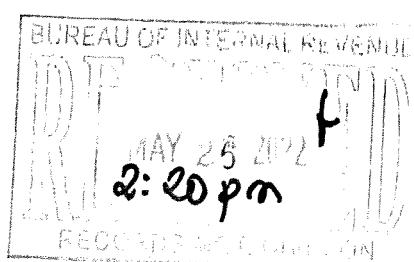
7. Prepare another memorandum to the RCD/LTDO Chief, copy furnished the Chief, LTCED, for the cancellation of the case in the GCL;
8. Transmit the docket to the AHRMD/NO-Records Division for safekeeping and future reference;
9. Prepare and submit Monthly GCL and Monthly Updates of Delinquent Accounts on the 10th day of the following month to ARMD, copy furnished the Regional Collection Division/LTCED;
10. Record the case as closed and transmit docket to the AHRMD/ NO-Records Division for future reference, if the proceeds of the sale fully satisfy the tax liability, including the delinquency interest that has accrued thereto. If not, continue the collection enforcement action until the full amount of the tax liability has been fully satisfied;
11. Prepare a Report of Seized Properties Sold Thru Public Auction Sale and submit the same not later than the 10th day of the following month to the Regional Director/Assistant Commissioner of Internal Revenue Large Taxpayer Service (ACIR-LTS) for submission to the ARMD thru the Collection Service not later than the fifteenth (15th) day of the following month; and
12. Prepare and submit Monthly General Control Ledger (GCL) and Monthly Update of Delinquent Accounts on the 10th day of the following month to ARMD copy furnished Regional Collection Division and the Large Taxpayers Service.

B. Auction Sale of Levied Real Property

The BAC shall:

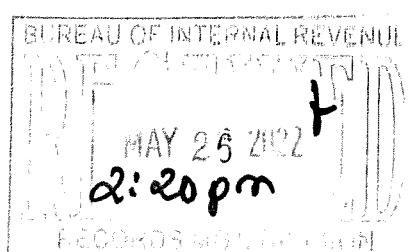
1. Start the auction sale by reading the NOS aloud for everyone present to hear and set the minimum bid of the government;
2. Call all the participants or bidders. Call the name of the delinquent taxpayer or his/her representative, whether present or not;
3. Record the names and addresses of the bidders present as well as the witnesses of the bidding process;
4. Distribute the Guidelines for the Auction Sale and the Application for Bid Forms. The Bid Form shall contain the description of the property, name of the delinquent taxpayer and the terms of payment. Spaces shall also be provided for the name and address of the bidder, the amount of bid and the mode of payment;
5. Gather all the bid forms from the participating bidders;
6. Post the quoted prices in the Abstract of Canvass;

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7. Determine the highest bidder;
8. Forfeit the sale in favor of the government, if the highest bid is lower than the minimum bid of the government or there is no interested bidder. Recommend to the AMS/LTCED the issuance of a Declaration of Forfeiture;
9. Pronounce the highest bidder as the winner;
10. Require the winning bidder to open an escrow account in a Bank but preferably an AGDB within the jurisdiction of the Office which conducted the sale or has jurisdiction over the delinquent taxpayer:
 - a. If the winning bid amount is greater than the OTL, the amount to be deposited in the escrow account shall be the amount to be credited to the tax liability including surcharges and interest plus expenses of the sale. The excess of the proceeds from the auction sale of real properties shall be returned to the delinquent taxpayer. If the delinquent taxpayer refuses to accept the same, refer the case to the Legal Division/Legal Group for consignment to the proper court. The delinquent taxpayer shall be notified of this action.
 - b. If the winning bid amount is equivalent to or less than the OTL, the amount to be deposited in the escrow account shall be the entire purchase price;
11. Provide all the necessary documents and signatures required by the Bank for the opening an escrow account by the winning bidder. A Revenue Officer, authorized by the head of office which conducted the sale, together with the winning bidder shall present themselves to the bank carrying with them the authorization coming from the BIR and other pertinent documents needed to arrange the escrow agreement.

A copy of the Escrow Account agreement and other pertinent documents required by the BIR relative to such agreement must be submitted by the winning bidder to the Bureau as proof of payment for the auctioned property;
12. Maintain a record of "Certificate of Escrow Deposit" by capturing the following information:
 - a. Name of the delinquent taxpayer;
 - b. Amount of the OTL;
 - c. Date of the Public Auction;
 - d. Nature of the Property Seized and Sold (e.g., real property – TCT No., Area, Location);

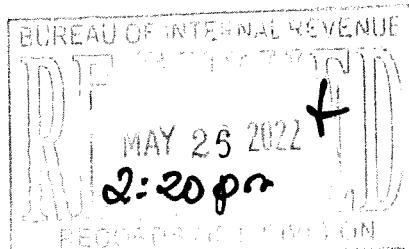


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- e. Amount of Bid Price deposited in escrow;
 - f. Name of the AGDB and its address; and
 - g. Date the Certificate of Sale was registered with the Registry of Deeds;
13. Maintain a record of cases which were referred to the Legal Division/Legal Group for consignment to proper courts. The record shall include the following information:
- a. Name of the delinquent taxpayer;
 - b. Excess amount of deposits of the sale;
 - c. Date of check; and
 - d. Name of the AGDB and its address;
14. Sign the consent letter of withdrawal upon application of the delinquent taxpayer to withdraw the 2nd Escrow Deposit;
15. Prepare the Certificate of Sale and have it signed by the BAC Chairman;
16. After the full payment to the BIR has been made, release to the winning bidder the Certificate of Sale (Annex 3), with instruction to have the same registered with the Register of Deeds by requesting the latter to annotate it in the concerned Original Certificate of Title (OCT) or Transfer Certificate of Title (TCT);
17. Require the winning bidder to submit a certified copy of the OCT/TCT with annotation of the Certificate of Sale for purposes of monitoring the redemption period and furnish the delinquent taxpayer with copy of the Certificate of Sale; and
18. Prepare Minutes/Report of a Tax Sale within two (2) days after the sale and attach copy of the report to the docket as official record. The report shall recite the actual proceedings of the sale, how it was conducted and all pertinent matters regarding the same.

The RCD-AMS/LTCED/ARMD-CEMS shall:

1. Prepare a Declaration of Forfeiture for the properties declared forfeited during the auction sale and file the same to the Register of Deeds/Assessors' Office who has jurisdiction over the property;
2. Prepare a Report of Seized Properties Sold Thru Public Auction Sale and submit the same not later than the 10th day of the following month to the Regional Director/Assistant Commissioner of Internal Revenue Large Taxpayer Service (ACIR-LTS) for submission to the ARMD thru the



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Collection Service not later than the fifteenth (15th) day of the following month; and

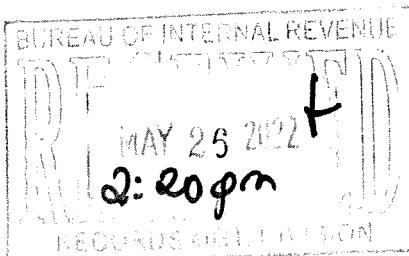
3. Prepare and submit Monthly GCL and Monthly Update of Delinquent Accounts on the 10th day of the following month to ARMD copy furnished Regional Collection Division; in case of delinquent accounts of large taxpayers, submit to the Large Taxpayers Service.

C. Redemption

C.1 If the Real Property is Redeemed

The RCD-AMS/LTCED/ARMD-CEMS shall:

1. Prepare the BIR Payment Form for the payment of the redemption amount and issue the same to the delinquent taxpayer;
2. Received from the delinquent taxpayer the deposit slip in the name of the winning bidder for the corresponding fifteen (15%) interest of the BID price;
3. Receive from the delinquent taxpayer the proof of payment of the redemption amount;
4. Prepare a Certificate of Redemption for the signature of the duly authorized signatory and issue the same to the delinquent taxpayer, upon receipt from the delinquent taxpayer the proof of payment of the redemption amount;
5. Prepare a Notice of Lifting of the Notice of Tax Lien (NTL) and Notice of Levy (NOL) and issue the said notice to the delinquent taxpayer, with instruction to present the same to the Register of Deeds;
6. Prepare a Notice of Release of the Deposit in Escrow to the Bank or AGDB with instruction to have the check prepared for the account of the winning bidder;
7. Record the case as closed if the redemption amount has fully satisfied the tax liability including the delinquency penalties that has accrued thereto and transmit the docket to the AHRMD/NO-Records Division for safekeeping and future reference. However, if the proceeds were not able to fully satisfy the tax liability the collection enforcement action shall continue until its full settlement;
8. Prepare a Report of Properties Redeemed (Annex 4) within the redemption period and submit the same not later than the tenth (10th) day of the following month to the Regional Director, thru the Regional Collection Division/LTS, thru the LTCED for consolidation and submission to the ARMD, thru the Collection Service not later than the fifteenth (15th) day of the following month; and



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9. Prepare and submit Monthly GCL and Monthly Updates of Delinquent Accounts on the 10th day of the following month to ARMD copy furnished the Regional Collection Division/LTS.

C.2 If the Real Property is not Redeemed

The RCD-AMS/LTCED/ARMD-CEMS shall:

1. Prepare a Notice of Release of the Deposit in Escrow upon the lapse of the one-year redemption period if the delinquent taxpayer did not redeem the property sold at the public auction;
2. Receive the check corresponding to the Deposit in Escrow released by AGDB and prepare the BIR Payment Form 0605 in the name of the delinquent taxpayer for the payment of his/her/its OTL and pay the same to the AAB under the jurisdiction of the office who conducted the sale. In the absence of an AAB, the same shall be paid to the Revenue Collection Officer (RCO) of the concerned office;
3. Prepare an Absolute Deed of Sale to the winning bidder;
4. Deduct the amount paid from the delinquent taxpayer's OTL and inform the delinquent taxpayer of the partial or full settlement of the OTL after the bid price has been deducted.
 - a. If the amount paid is greater than or equal to the OTL, record the case as closed and transmit docket to the AHRMD/NO-Records Division for safekeeping and future reference, if the proceeds of the sale fully satisfy the tax liability including the delinquent interest that has accrued thereto.
 - b. If the amount paid is less than the OTL, continue the collection enforcement action until the full amount of the tax liability has been fully satisfied;
5. Prepare and submit Monthly GCL and Monthly Updates of Delinquent Accounts on the 10th day of the following month to ARMD copy furnished the Regional Collection Division/LTS.

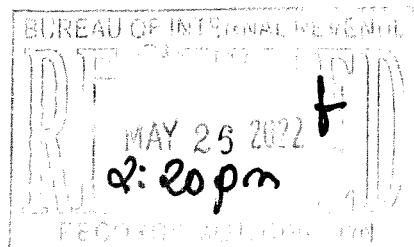
2. Procedures for the Public Auction Sale of Acquired Assets

The RCD (For Non-Mega Revenue Regions)/FAMU (For Mega Revenue Regions) shall:

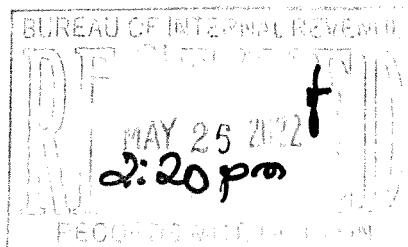
1. Direct and supervise the conduct of ocular inspections of acquired assets which are to be disposed of immediately in order to obtain first-hand observations/information on their respective status, conditions, marketability, their ability to attract prospective or potential buyers, or even susceptibility to erosion of market value due to changes in geographical conditions, advancement of technology, etc.;

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2. Prepare a report on the results of ocular inspections conducted on acquired assets which are to be sold/disposed, detailing the current status/conditions thereof, using the Analysis/Evaluation of Acquired Assets Form;
3. Request from the AHRMD/Procurement Division, thru the Regional Director/ACIR, Administrative Service, the procurement for the service of a professional realty appraiser for the valuation of the acquired assets to be sold;
4. Prepare lists of all acquired assets to be sold, and submit the same to the BAC-AA, for review and evaluation;
5. Receive quotations from at least three (3) publishers and recommend the lowest price for the publication and advertisement of the scheduled auction sale, in accordance with existing procurement rules and regulations;
6. Prepare Guidelines on the Conduct of Auction of Acquired Assets for approval of the BAC-AA;
7. Prepare a Notice of Sale (NOS) of Acquired Assets in quadruplicate copies for signature of the Regional Director/Commissioner and must contain the following information:
 - a. The floor price or minimum amount of bid;
 - b. The venue, date and time of public auction;
 - c. The location and description of property to be sold;
 - d. The TCT/CCT/OCT number whichever is applicable; and
 - e. A statement that "THE GOVERNMENT RESERVES THE RIGHT TO REJECT OR CANCEL ANY OR ALL BIDS";
8. Prepare a memorandum to the Regional Director/Commissioner, requesting for the authority to advertise the sale and for funding purposes to cover the estimated expenses to be incurred in the conduct of auction sale;
9. Prepare a request for funding for the expenses in the publication/advertisement of the NOS of acquired assets and the conduct of public auction sale of acquired assets, for the approval of the Regional Director/Commissioner;
10. Request from the Internal Communications Division the posting of the approved NOS of acquired assets and Auction Guidelines in the BIR website;
11. Coordinate with PIED for tri-media exposure of the conduct of public auction;



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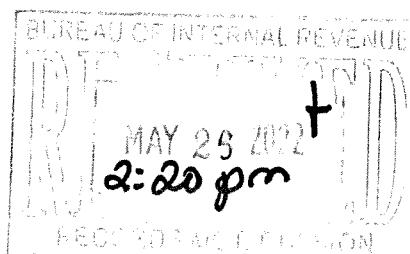
12. Furnish the COA, at least twenty (20) days before the advertisement of the call to public auction with a copy of the following documents:
 - a. Program for Disposal with time schedules;
 - b. Inventory report showing the itemized list and description of the properties to be auctioned indicated in the NOS;
 - c. Appraisal report showing the appraised values of the asset, prepared by an independent appraiser; and
 - d. Disposal procedure adopted. (Pursuant to COA Circular No. 89-296);
13. Cause the publication, of the approved NOS of acquired assets in a newspaper of general circulation at least twenty (20) days prior to the actual date of public auction;
14. Install a Billboard Notice in the location of the acquired asset subject of the sale, stating:

“THIS GOVERNMENT PROPERTY IS FOR SALE.

Interested parties may call the BIR Office at Telephone No. ____.”;
15. Post the copies of the NOS of acquired assets at the entrance of the Provincial, City, and Municipal Buildings, Barangay Halls, Revenue District Office, Revenue Regional Office, and other public conspicuous places where the property is located;
16. Invite a COA representative to attend and witness the conduct of the auction sale;
17. Prepare the following auction sale documents/papers:
 - a. Application to Bid Form;
 - b. Abstract of Canvass Form; and
 - c. Other papers/documents that are deemed necessary in the auction sale;
18. Provide administrative support to the Regional/National BAC-AA.

The Internal Communication Division (ICD) shall:

- Post and publish the approved NOS of acquired assets and Auction Guidelines in the BIR website.



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The Public Information and Education Division (PIED) shall:

- Coordinate the tri-media exposure on the conduct of public auction of acquired real assets.

The Regional Finance Division shall:

1. Receive the approved request for allocation of necessary funds for the expenses to be incurred in the publication/ advertisement of the NOS of acquired assets and in the conduct of public auction sale of acquired assets; and
2. Allocate and release to the concerned RCD the funds intended for the payment of expenses to be incurred in the publication/ advertisement of the NOS of acquired assets and in the conduct of public auction sale of acquired assets.

The Regional Director shall:

1. Constitute the members of the inspection group to conduct actual inspection of acquired real assets for sale/disposal in the Regional Office, if the need arises;
2. Approve the allocation of necessary funds for the publication of the NOS of acquired assets. The fund shall be provided by Regional Finance Division and shall be made available at least thirty (30) days prior to the actual date of public auction sale pursuant to Section 216 of the Tax Code of 1997, as amended; and
3. Constitute the Regional BAC-AA to undertake the auction sale of acquired assets. The Regional BAC-AA shall be composed of the following:

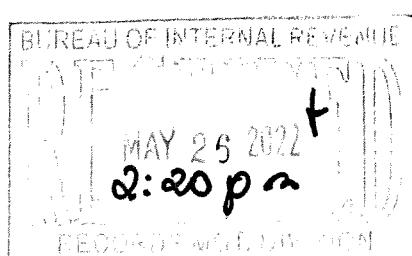
Chairman - Assistant Regional Director

Members - Chief, Legal Division
Chief, Collection Division
Chief, Administrative Division
Chief, Finance Division

The Assistant Commissioner, Collection Service shall:

1. Constitute the members of the inspection group to conduct actual inspection of acquired real assets for sale/disposal in the Mega Manila regions, if the need arises; and
2. Request the allocation of necessary funds for the publication of the NOS of acquired assets. The fund shall be provided by Finance Service and shall be made available at least thirty (30) days prior to the actual date of public auction sale pursuant to Section 216 of the Tax Code of 1997, as amended.

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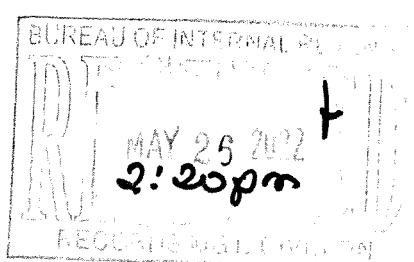
The Commissioner of Internal Revenue shall:

- Constitute the National BAC-AA to undertake the auction sale of acquired assets. The National BAC-AA shall be composed of the following representative from:
 - Collection Service
 - Accounts Receivable Monitoring Division
 - Revenue Accounting Division
 - Legal Service
 - Law and Legislative Division
 - Finance Service
 - Accounting Division
 - Administrative Service
 - General Services Division
 - Property Division

The Regional Bids and Awards Committee-Acquired Assets shall:

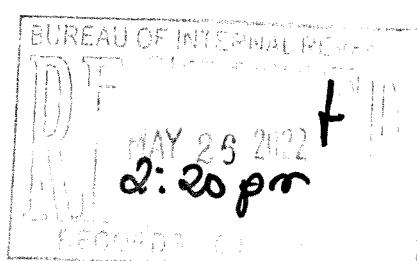
1. Receive from the RCD, the list of acquired assets to be sold at public auction;
2. Coordinate with realty appraisers and brokers, tri-media, and other external agencies/entities before the actual conduct of public auction in order to ensure that the bids and awards processes are undertaken in accordance with the existing rules and regulations, and that the participation of the stakeholders in the bidding process is maximized;
3. Determine the floor prices of the properties for auction sale;
4. Conduct the actual Auction Sale:
 - a. Require all prospective bidders and/or authorized representatives to register in the Bid Registry upon submission of duly signed and notarized Bidders Acknowledgement and Undertakings and upon presentation of least two (2) valid Government issued Identification Cards (ID's);
 - b. Provide the prospective bidders with the Application for Bid; and
 - c. Initiate an open public bidding in the presence of a COA representative, as witness, on a parcel by parcel or title by title on an "As Is Where Is Basis" with the following steps and/or guidelines:
 - i. Read the NOS of acquired assets and the Guidelines for Auction Sale aloud for everyone present to hear;
 - ii. Officially open the auction proceedings for each property after a single tap of the gavel by the Chairman;

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- iii. Announce the minimum bid for the particular title of the property being auctioned and call all bidders to personally drop their sealed bids in the box provided for such purpose;
 - iv. Open all the sealed envelopes containing the Applications for Bid in the presence of all bidders;
 - v. Post all the bid forms and indicate their quoted prices in the Abstract of Canvass;
 - vi. Read and announce the name of the bidder/s and the amount of the bid bond and bid price. Only bids that are equal to or higher than the set floor price/minimum bid price shall be considered;
 - vii. Deliberate and resolve "tie-bids" and/or "cancelled bids";
 - viii. Announce the name of the qualified winning bidder of the auctioned property; and
 - ix. Officially close the auction proceedings for each property after a single tap of the gavel by the Chairman.
5. Prepare and submit to the approving authority the necessary documents to effect the transfer of properties to the winning bidders;
6. Forward to the Commissioner, thru the ACIR-CS, FAMU, all the pertinent documents relative to the sale together with the Report of Acquired/Forfeited Assets Sold Through Public Auction for Confirmation and Approval within five (5) working days from the date of the public auction sale, for evaluation and approval;
7. Issue a Notice of Award to the winning bidder signed by the Chairman, Regional BAC-AA, upon receipt of the Confirmation of Acquired Assets Sold through Public Auction Sale for Issuance of Notice of Award and Deed of Absolute Sale duly signed by the Commissioner;
8. Prepare a Deed of Absolute Sale, for the signature of the Commissioner, upon confirmation by the AHRMD of the full payment of the bid price by the winning bidder;
9. Cancel the Notice of Awards, in case of failure or refusal of the winning bidder to pay the full amount of bid within the prescribed period, and forfeit the bid bond in favor of the government, unless the Commissioner of Internal Revenue allows an extension of time for the bidder within which to fully pay the bid price;
10. Notify the defaulting bidder of the cancellation of bids and/or forfeiture of posted bid bond with concomitant notification to the second and third

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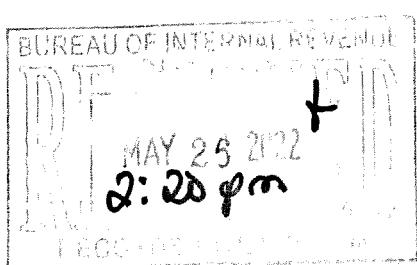


highest bidder that they may increase their bids to the amount equivalent or higher than that of the defaulting bidder; and

11. Prepare and submit to the Regional Director the Report/Minutes on the Conduct of Public Auction of Acquired Assets within five (5) working days from the date of sale.

The National Bids and Awards Committee-Acquired Assets shall:

1. Receive from the FAMU, the list of acquired assets to be sold at public auction;
2. Coordinate with realty appraisers and brokers, tri-media, and other external agencies/entities before the actual conduct of public auction in order to ensure that the bids and awards processes are undertaken in accordance with the existing rules and regulations, and that the participation of the stakeholders in the bidding process is maximized;
3. Determine the floor prices of the properties for auction sale;
4. Conduct the actual Auction Sale:
 - a. Require all prospective bidders and/or authorized representatives to register in the Bid Registry upon submission of duly signed and notarized Bidders Acknowledgement and Undertakings and upon presentation of least two (2) valid Government issued Identification Cards (ID's);
 - b. Provide the prospective bidders with the Application for Bid; and
 - c. Initiate an open public bidding in the presence of a COA representative, as witness, on a parcel by parcel or title by title on an "As Is Where Is Basis" with the following steps and/or guidelines:
 - i. Read the NOS and the Guidelines for Auction Sale aloud for everyone present to hear;
 - ii. Officially open the auction proceedings for each property after a single tap of the gavel by the Chairman;
 - iii. Announce the minimum bid for the particular title of the property being auctioned and call all bidders to personally drop their sealed bids in the box provided for such purpose;
 - iv. Open all the sealed envelopes containing the Applications for Bid in the presence of all bidders;
 - v. Post all the bid forms and indicate their quoted prices in the Abstract of Canvass;

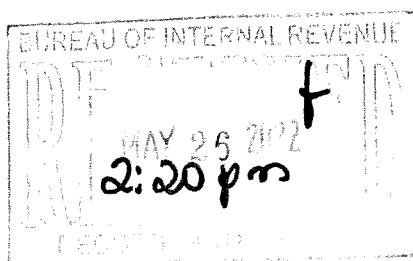


- vi. Read and announce the name of the bidder/s and the amount of the bid bond and bid price. Only bids that are equal to or higher than the set floor price/minimum bid price shall be considered;
 - vii. Deliberate and resolve “tie-bids” and/or “cancelled bids”;
 - viii. Announce the name of the qualified winning bidder of the auctioned property; and
 - ix. Officially close the auction proceedings for each property after a single tap of the gavel by the Chairman.
5. Prepare and submit to the approving authority the necessary documents to effect the transfer of properties to the winning bidders;
 6. Forward to the Commissioner, thru the ACIR-CS, all the pertinent documents relative to the sale together with the Report of Acquired/Forfeited Assets Sold Through Public Auction for Confirmation and Approval within five (5) working days from the date of the public auction sale, for evaluation and approval;
 7. Issue a Notice of Award to the winning bidder signed by the Chairman, National BAC-AA, upon receipt of the Confirmation of Acquired Assets Sold through Public Auction Sale for Issuance of Notice of Award and Deed of Absolute Sale duly signed by the Commissioner;
 8. Prepare a Deed of Absolute Sale, for the signature of the Commissioner, upon confirmation by the Revenue Accounting Division (RAD) of the full payment of the bid price by the winning bidder;
 9. Cancel the Notice of Award, in case of failure or refusal of the winning bidder to pay the full amount of bid within the prescribed period, and forfeit the bid bond in favor of the government, unless the Commissioner of Internal Revenue allows an extension of time for the bidder within which to fully pay the bid price;
 10. Notify the defaulting bidder of the cancellation of bids and/or forfeiture of posted bid bond with concomitant notification to the second and third highest bidder that they may increase their bids to the amount equivalent or higher than that of the defaulting bidder; and
 11. Prepare the Report/Minutes on the Conduct of Public Auction of Acquired Assets within five (5) working days from the date of sale.

The Regional Director shall:

- Review and recommend approval of the Regional BAC-AA’s Report of Acquired Assets Sold Through Public Auction.

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The AMS shall:

1. Provide administrative support to the Regional BAC-AA; and
2. Act as secretariat to the Regional BAC-AA.

The FAMU shall:

1. Prepare and forward to NBAC-AA the list of acquired asset to be sold at public auction;
2. Receive from the RBAC-AA's Report of Acquired Assets Sold Through Public Auction for Confirmation and Approval;
3. Review and evaluate the RBAC-AA's Report of Acquired Assets Sold Through Public Auction for Confirmation and Issuance of the Notice of Award, to determine propriety of the Confirmation of Sale to be issued by the Commissioner;
4. Prepare and submit to the Commissioner, thru the ACIR-CS and the DCIR-OG, the Confirmation of Acquired Assets Sold Through Public Auction Sale for Issuance of Notice of Award and Deed of Absolute Sale;
5. Forward to the concerned Regional BAC-AA the approved Confirmation of Acquired Assets Sold Through Public Auction Sale for Issuance of Notice of Award;
6. Receive, review and submit to the Commissioner thru the ACIR-CS and the DCIR-OG the Deed of Absolute Sale; and
7. Forward to the concerned RBAC-AA the signed Deed of Absolute Sale for issuance to the winning bidder.

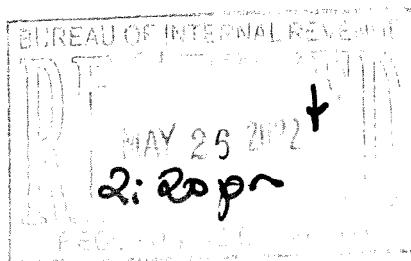
The ACIR-Collection Service, Deputy Commissioners-Operations Group shall:

1. Review and evaluate the recommendations and other documents confirming and approving the sale of acquired assets; and
2. Forward to the Commissioner the recommendation relevant to the confirmation and approval of the sale of acquired assets, for final review and approval.

The Commissioner of Internal Revenue shall:

- Approve/confirm the sale of acquired assets through public auction undertaken by the Regional and National BAC-AA, and sign the Deed of Absolute of Sale.

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The AHRMD shall:

1. Administer the confirmation of cash and/or manager's check, for pre-qualification bonds, presented by prospective bidder/s;
2. Receive cash and/or manager's check and issue the corresponding Official Receipt (Accountable Form No. 51) for the payment of bid bond of the declared winning bidder;
3. Receive from the winning bidder the remaining balance for the full payment of the amount of the bid either in cash or manager's check and issue the corresponding official receipt therefor;
4. Remit to the Bureau of Treasury (BTr), through Authorized Government Depository Banks (AGDB), all the payments, with corresponding official receipts, made by the winning bidder;
5. Keep/Maintain records on the conduct of the sale, copies of the awarded titles and other related documents pertinent to the sale;
6. Prepare and submit to the concerned Regional Finance Division not later than five (5) days from the date of auction sale a report, copy furnished the Regional Collection Division, the copies of all pertinent documents evidencing the collections of the proceeds from auction sales of acquired assets and remittance thereof to the BTr, thru the AGDB, for recording the disposal of the asset in the NG Books. For this purpose, the proceeds from sale of acquired assets shall form part of the collections of the RDO having physical jurisdiction over the location of the assets/properties sold. The remittance of the bid bonds received and the full payment of the bid price by the winning bidder shall be deposited with the AGDB not later than the following working day; and
7. Procure for the service of a professional realty appraiser for the valuation of the acquired assets to be sold.

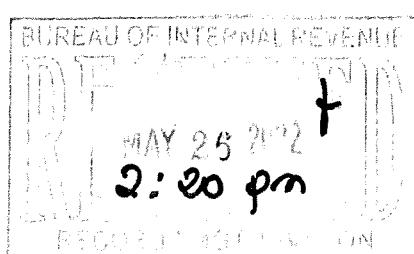
The Regional Collection Division shall:

1. Verify with the records of the AHRMD if the full payment of the bid price has been made by the winning bidder; and
2. Receive the copies of all pertinent documents evidencing the collections of the proceeds from auction sales of acquired assets and remittance thereof.

The General Services Division shall:

1. Accept payment and issue ROR for the 10% of bid bond and full payment of the bid price from the winning bidder; and
2. Furnish the RAD a certified copy of the ROR.

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The RAD shall:

- Receive and verify pertinent documents evidencing the collections of the proceeds from auction sales.

The Procurement Division shall:

- Procure for the service of a professional realty appraiser for the valuation of the acquired assets to be sold.

VI. REPEALING CLAUSE

All revenue issuances or portion thereof, which are inconsistent herewith are hereby amended, modified or repealed accordingly.

VII. EFFECTIVITY

This Order shall take effect immediately.

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CAESAR R. DULAY
Commissioner of Internal Revenue

By:

MARISSA O. CABREROS
Deputy Commissioner
Legal Group
Officer-in-Charge

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