

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE

4 August 2010

**REVENUE MEMORANDUM CIRCULAR No. 66-2010**

**SUBJECT:** Circularizing the Full Text of the BIR-TMAP Memorandum of Agreement, and the Mechanics and Entry Form, for the conduct of the “Search for the Best Tax Collection, Tax Administration or Taxpayer Service Enhancement Project”

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

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For the information and guidance of all internal revenue officials and employees, and others concerned, quoted hereunder is the full text of the Memorandum of Agreement between the Bureau of Internal Revenue (BIR) and the Tax Management Association of the Philippines (TMAP), together with the Mechanics, of the “Search for the Best Tax Collection, Tax Administration or Taxpayer Service Enhancement Project”.



TAX MANAGEMENT ASSOCIATION  
OF THE PHILIPPINES, INC.



**MEMORANDUM OF AGREEMENT**

This Memorandum of Agreement executed this 25th day of June 2010 by and between:

**The Bureau of Internal Revenue (BIR)**, a government agency under the Department of Finance, with office address at BIR Building, Diliman, Quezon City, represented herein by **Commissioner Joel L. Tan Torres**, hereinafter referred to as BIR.

- and -

**The Tax Management Association of the Philippines, Inc. (TMAP)**, a non-stock, non-profit corporation with mailing address

at Unit 2421 Cityland Herrera Tower Building, V.A. Rufino corner Valero Streets Salcedo Village, Makati City, represented herein by its President, **Ma. Victoria A. Villaluz**, hereinafter referred to as TMAP;

**WITNESSETH:**

**WHEREAS**, the BIR is the primary revenue collecting arm of the government;

**WHEREAS**, TMAP is a non-stock, non-profit corporation composed of professionals engaged in tax practice formed for the purpose of, among others, assisting the government in instituting improvements in the tax system;

**WHEREAS**, both the BIR and TMAP recognize that improvement in tax collection, tax administration and taxpayer service will redound to the benefit of both taxpayers, the BIR, and the government in general, thereby encouraging tax compliance and collection efficiency.

**WHEREAS**, TMAP has proposed the conduct of a search for exceptionally viable project proposals geared toward the improvement of tax collection, tax administration and taxpayer's services which project proposal shall come from the ranks of the BIR itself;

**WHEREAS**, the BIR agrees to the propose 2010 Search Project of the TMAP, hereafter called the "**Search for the Best Tax Collection, Tax Administration or Taxpayer Service Enhancement Project**" and endeavors to provide TMAP with the necessary assistance in carrying-out the aforesaid Search Project in 2010.

**NOW THEREFORE**, for and in consideration of the foregoing premises, the parties hereby agree as follows:

1. The selection of the winning Project Proposal/s shall be based on the following criteria:
  - (a) Implementable – should be feasible or manageable administratively and could be replicated on a national level
  - (b) Measurable results – results can be measured through the quantitative impact on tax collection and/or qualitative impact on tax administration/taxpayer's service
  - (c) Innovative – the project is not an existing or a currently proposed project of the BIR; and/or the project will involve the application of new methodologies that have not been previously applied by the BIR.
2. **BIR** agrees to do the following:
  - 2.1. Disseminate information on the qualifications, criteria and mechanics of the 2010 Search Project to the appropriate national offices, regional offices and revenue district offices;
  - 2.2. Appoint three (3) BIR officers as voting members of the Preliminary Board of Judges which body shall (a) receive the entries duly endorsed by the regional directors and heads of office, (b) verify the information disclosed in the nomination forms and evaluate compliance with program mechanics, and (c) select and endorse the five (5) finalists to the Final Board of Judges;

- 2.3. Receive comments, endorsements and/or objections to the nominations and resolve the same;
  - 2.4. Provide the assistance and logistic support that TMAP may need in impartially and independently carrying-out the 2010 Search Project.
  - 2.5. Pilot test the winning entries within one (1) year from awarding ceremonies.
3. **TMAP** agrees to undertake the following:
    - 3.1. Establish the qualifications, criteria and mechanics for participation in the 2010 Search Project;
    - 3.2. Designate two (2) TMAP members as non-voting members of the Preliminary Board of Judges;
    - 3.3. Constitute a five (5) member Final Board of Judges who will decide on the winning Project Proposal/s;
    - 3.4. Assume the costs to be incurred in carrying out the 2010 Search Project and conferring the awards to the winner/s; and,
    - 3.5. Oversee and facilitate the conduct of the search with independence and impartiality in accordance with established mechanics and procedures;
    - 3.6. And as maybe agreed upon with the BIR, assist in the pilot testing of the winning entry/ies, in an advisory capacity. It is understood that any assistance to be provided by TMAP must be approved and authorized by the TMAP Board, and provided further, that the said assistance is not inconsistent or violative of the objectives for which TMAP was organized, and in accordance with the provisions of TMAP's Articles and By-laws.
  4. Both BIR and TMAP agree to cooperate with one another to ensure that the 2010 Search Project for the Best Tax Collection, Tax Administration and Taxpayer Service Enhancement is properly carried out.

**IN WITNESS WHEREOF**, the parties have hereunto set their hand in Quezon City this 25th day of June 2010.

**BUREAU OF INTERNAL REVENUE**

By:

(Original Signed)

**JOEL L. TAN TORRES**

Commissioner of Internal Revenue

**TAX MANAGEMENT ASSOCIATION OF THE PHILIPPINES, INC.**

By:

(Original Signed)

**MA. VICTORIA A. VILLALUZ**

President

(Original Signed)

**RAYMUND S. GALLARDO**

Vice-President, External Affairs and  
Project Chair

WITNESSES:

(Original Signed)  
**CELIA C. KING**  
Deputy Commissioner - Resource  
Management Group

(Original Signed)  
**AGNES LE C. OXALES**  
Vice- President, Internal Affairs

CELESTINO G. SANTOS

**MECHANICS**

1. Open to all Revenue personnel, individually or in group, up to the position of Section Chief in the National, Regional and District Offices. Permanent and temporary employees are qualified to join.
2. Each entry shall be accompanied with an official entry form, properly accomplished by the participant and duly noted by the originating head of office. Only one entry shall be allowed per Participant.
3. The content of the Project Proposal shall have the following format:

a. **Statement of the Current Situation**

The proponent shall describe the current situation which the project seeks to address, **e.g.** deficiency revenue collection on excise or withholding tax; slow turn-around of rulings/claims for refund

b. **Statement of the Proposal**

The proponent should state his specific recommendation with detailed description. The statement shall include action steps and not just motherhood statements, **e.g.** If the action plan is through tax campaign – how will tax campaign be accomplished?

c. **Who in the BIR should be involved in the initiative**

The proponent should state who in the BIR (name of office/s) will be involved in the implementation of the proposal.

d. **Sample materials as annexes**

The proponent must also include a list of materials or other items, which he believes are required to implement the proposal. **e.g.** templates of requests, flyers, etc.

4. The Project Proposal shall:
  - a. Be written in English
  - b. Not be less than five (5) pages, but not more than twenty five (25) pages (excluding Annexes) on 8.5" x 11" bond paper
  - c. Be double spaced, font size 12 Times New Roman, with a one (1) - inch margin on all sides

- d. Bear the signature of the participant in each and every page
5. The submission of entries starts on 1 July, and the deadline for submission by the respective Heads of the participating offices to the Preliminary Board of Judges, through the Office of the Deputy Commissioner, Resource Management Group, is 30 September 2010.
6. Each of the following offices shall select one entry and the maximum total of entries for evaluation by the Preliminary Board of Judges is twenty-eight (28). These entries will become the semi-finalists:
  - a. Regional Offices (19)
  - b. Office of the Commissioner
  - c. Resource Management Group
  - d. Legal and Inspection Group
  - e. Operations Group
  - f. Information Systems Group
  - g. Large Taxpayer Service (2)
    - g.1 LTS – Regular
    - g.2 LTS – Excise
  - h. Tax Reform Administration Group
  - i. Special Concerns Group

The heads of the respective offices shall exert their best efforts to ensure the originality and authorship of the entries submitted.

7. The 28 semi-finalists' entries shall be submitted to the Preliminary Board of Judges, for verification of the nomination, compliance with the project mechanics, and for the selection of five (5) finalists. The selection criteria shall be:
  - a) **Implementable (35%)** – should be feasible or manageable administratively, and could be replicated on a national level
  - b) **Measurable (30%)** – results can be measured through the quantitative impact on tax collection and/or qualitative impact on tax administration/taxpayer's service
  - c) **Innovative (35%)** – the project is not an existing or a currently proposed project of the BIR; and/or the project will involve the application of new methodologies, that have not been previously applied by the BIR and should not also require new legislation.
8. The Preliminary Board of Judges shall select the five (5) final entries and transmit the same to the Final Board of Judges no later than 31 October 2010.
9. The finalists may be validated (through interviews) by the Final Board of Judges.
10. The following shall constitute the members of the Final Board of Judges:
  - a. Former BIR Commissioner
  - b. DOF Undersecretary
  - c. Head of the National Tax Research Center
  - d. Member of the Academe
  - e. TMAP Past President
11. There shall be a minimum of one (1) and a maximum of three (3) winners. The Final Board of Judges has the discretion to award one, two or three awards.

12. The winner/s shall be notified by TMAP and announcement of winners shall be at the TMAP General Membership Meeting on November 2010.
13. All entries shall become the property of the BIR.

A sample of the Official Entry Form for the competition is attached as Annex "A" of this Circular.

All revenue officials and employees are enjoined to give this Circular the widest possible publicity.

(Original Signed)  
**KIM S. JACINTO-HENARES**  
Commissioner of Internal Revenue