

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

March 17, 2010

**REVENUE MEMORANDUM CIRCULAR NO. 27-2010**

**SUBJECT :** Circularizing the full text of Department Order No. 6-2010 entitled “AMENDING FURTHER MINISTRY ORDER NOS. 20-86 AND 21- 86, AS AMENDED BY DEPARTMENT ORDER NOS. 12-89, 13-89, 10-92, 21-99 AND 35-04 CREATING THE COMMITTEES ON REAL PROPERTY VALUATION TO DETERMINE THE ZONAL VALUES OF REAL PROPERTIES FOR PURPOSES OF COMPUTING ANY INTERNAL REVENUE TAX”

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

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For the information and guidance of all internal revenue officers, employees and others concerned, quoted hereunder is the full text of Department Order No. 6-2010 issued by the Department of Finance on March 12, 2010.

**DEPARTMENT ORDER NO. 6-2010**  
March 12, 2010

**SUBJECT :** AMENDING FURTHER MINISTRY ORDER NOS. 20-86 AND 21-86, AS AMENDED BY DEPARTMENT ORDER NOS. 12-89, 13-89, 10-92, 11-92, 21-99 AND 35-04 CREATING THE COMMITTEES ON REAL PROPERTY VALUATION TO DETERMINE THE ZONAL VALUES OF REAL PROPERTIES FOR PURPOSES OF COMPUTING ANY INTERNAL REVENUE TAX

Pursuant to Section 6(E) of Republic Act No. 8424, otherwise known as the “Tax Reform Act of 1997”, Ministry Order Nos. 20-86 and 21-86 as amended by Department Order Nos. 12-89, 13-89, 10-92, 11-92, 21-99 and 35-04, are hereby amended as follows:

1. An Executive Committee on Real Property Valuation (ECRPV) shall be formed for each BIR Regional Office and shall be composed of the following:

Chairman : Regional Director  
Bureau of Internal Revenue

Members : Regional Director  
Housing and Land Use Regulatory Board (HLURB)

: Regional Director  
Bureau of Local Government Finance (BLGF)

: Two (2) licensed and competent appraisers from a reputable association/organization of realty appraisers.

- Consultants : Administrator, Land Registration Authority (LRA)
- : Executive Director, National Tax Research Center (NTRC)
- : Administrator, National Mapping and Resource Information Authority (NMRIA)
- : General Manager, National Housing Authority (NHA)
2. Technical Committee on Real Property Valuation (TCRPV) shall be composed of the following:
- Chairman : Assistant Regional Director  
Bureau of Internal revenue
- Members : Representative, HLURB
- : Provincial / City Assessor
- : Two (2) licensed and competent appraisers from a reputable association/organization of realty appraisers.
- Consultants : Representatives from:
- LRA
  - NTRC
  - NMRIA
  - NHA
3. Sub-Technical Committee on Real Property Valuation (STCRPV) shall be composed of the following:
- Chairman : Revenue District Officer
- Vice Chairman : Assistant Revenue District Officer
- Members : Municipal / Assistant City Assessor
- : Local Development Officer (Office of the Mayor)
- : Two (2) licensed and competent appraisers from a reputable association/organization of realty appraisers

Functions of the Committees:

A. The ECRPV shall:

1. Study and approve the proposed Schedule of Zonal Values of real properties prepared by the STCRPV as reviewed by the TCRPV;
2. Deliberate and resolve cases referred by the TCRPV.

B. The TCRPV shall:

1. Study and review the proposed Schedule of Zonal Values of real properties prepared by the STCRPV and recommend the same to the ECRPV;
2. Attend public hearings relative to the establishment/revision of the Schedule of Zonal Values;
3. Deliberate and resolve appealed cases involving approved zonal values and controversies as to the valuation issues in the Regional and District Offices;
4. Assign zonal values of properties not listed/included in the approved Schedule of Zonal Values;
5. Endorse to ECRPV unresolved appealed cases for resolution.

C. The STCRPV shall:

1. Study and prepare the schedule of recommended zonal values of real properties under the jurisdiction of the Revenue District Office;
2. Conduct public hearing relative to the proposed zonal values.

All provincial, city and municipal assessors are hereby directed to render assistance to the above Committees in the determination of the valuation of real properties in their respective areas of jurisdiction.

The aforementioned Committees shall likewise be authorized to avail of the services of any personnel of this Department and the Bureaus and Offices under it.

In case there are no available private appraisers in the locality, and/or there is failure of any member of the STCRPV to attend the meetings called for by the Chairman of the STCRPV and/or there is failure of any of the member/s of the STCRPV to submit their recommended values within ten (10) calendar days from the date of the concluding meeting of the STCRPV, the Chairman of the STCRPV shall:

1. Execute an "Affidavit" that there is no available private appraiser in the locality and/or there is failure on the part of the member/s to attend the meetings and/or to submit their recommended values ; and
2. Proceed with the establishment/revision of the Schedule of Zonal Values based on the average of the two (2) highest recommended values or best data/documents available (acceptable methods of appraisal of real properties; records of most recent actual sales/transfers/exchanges of properties appearing in documents filed in public offices; private records of banks, realtors, private appraisers in the locality; records of provincial/city/municipal assessors; and other procedures and methods of appraisals).

The provisions of Department Order Nos. 10-92, 11-92, 12-89, 13-89, 35-04 and Ministry Order Nos. 20-86 and 21-86 are hereby repealed, modified or amended accordingly.

This Order takes effect immediately.

(Original Signed)  
**MARGARITO B. TEVES**  
Secretary of Finance

All revenue officials and employees are enjoined to give this circular as wide a publicity as possible.

(Original Signed)  
**JOEL L. TAN-TORRES**  
Commissioner of Internal Revenue