

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

Quezon City

December 5, 2007

**REVENUE MEMORANDUM ORDER NO. 38-2007**

**SUBJECT :** **Identifying the Offices Responsible in the Handling of Enforcement Activities on Taxpayers Included in the Taxpayer Account Management Program (TAMP)**

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

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**I. BACKGROUND**

The Taxpayer Account Management Program (TAMP) of the Bureau is designed to enhance voluntary tax compliance of taxpayers. In this program, Revenue Officers (ROs) in each Revenue District Office (RDO)/Large Taxpayers Audit and Investigation Division (LTAID)/Large Taxpayers District Office (LTDO) are assigned a number of taxpayers which he/she shall monitor or assist, if needed. In the process of monitoring these taxpayers, ROs analyze each taxpayer's tax compliance. With the data gathered through this TAMP, benchmark for each industry and the peculiarities of each industry and taxpayer are established, which become the basis of the imposition of enforcement action. Through these, the ROs can then be able to determine if taxpayer has either a "low" or "high" tax compliance. Taxpayer having a "low" tax compliance can become a subject for audit, surveillance, stocktaking or such other means of uncovering undeclared income and unpaid taxes.

**II. OBJECTIVE**

This Order is issued to identify offices that should handle the enforcement activities on taxpayers included in the TAMP in order to avoid duplication on issuance of Letter of Authority (LA), Tax Verification Notice (TVN) and Mission Order (MO), unwarranted issuance thereof and to impart the message that taxpayers covered by the TAMP of the BIR are being handled with caution and circumspection. Enforcement activities should enhance voluntary compliance or maintain high voluntary compliance and should not hinder tax compliance. To be effective, it should be based on appropriate risk assessment or risk analysis.

**III. POLICIES**

1. Audit , surveillance and stocktaking activities to be imposed on large taxpayers can only be done by LTAID I, LTAID II or LTDOs, considering all these taxpayers are included in the TAMP;

2. For taxpayers under the jurisdiction of the regional offices, taxpayers included in the TAMP shall only be handled by the revenue district offices having jurisdiction over such taxpayers;
3. Taxpayers under the jurisdiction of the regional offices but are not included in the TAMP can be handled by either the Special Investigation Division of the regional office or the Enforcement Service of the National Office;
4. Before SID or the Enforcement Service can issue LA, TVN and MO to selected taxpayers, verification from regional office/revenue district offices concerned must be done to determine if subject taxpayer is not included in the TAMP;
5. In the event that a LA/TVN/MO was issued by SID or Enforcement Service on taxpayers included in the TAMP, the same shall be automatically cancelled; and
6. In case taxpayer which is not included in the TAMP receive two (2) LAs covering same period and tax types, the first LA/TVN/MO issued shall prevail.

#### **IV. REPEALING CLAUSE**

All orders and other issuance inconsistent herewith are hereby modified or repealed accordingly.

#### **V. EFFECTIVITY**

This Order shall take effect immediately upon approval.

(Original Signed)  
**LILIAN B. HEFTI**  
Commissioner of Internal Revenue