

REVENUE MEMORANDUM ORDER NO. 24-2023 issued on June 26, 2023 prescribes the revised policies and procedures relative to the accreditation of Cash Register Machines (CRMs), Point-of-Sale (POS) and Other Similar Sales Machines/Software Generating Invoices/Receipts including Electronic Invoicing or Electronic Receipting System/Software used under a Subscription-Based Agreement.

The Order shall cover all types of sales machines and/or software generating invoices/receipts that are used in business to record sales transactions, which shall include the following:

- a. Cash Register Machine (CRM);
- b. POS System–Bundled POS (both hardware and software) and POS Software;
- c. e-Invoicing or e-Receipting System/Software used under a Subscription-Based Agreement;
- d. All other similar sales machines/software that will generate printed invoices/ receipts, such as but not limited to:
 - Taximeters;
 - Handheld or mobile devices linked to a server;
 - Unmanned bill, coin, or token-operated machines issuing invoice upon sale; and
 - Other sales machines/software issuing invoices/receipts, except Computerized Accounting System.

The abovementioned items are required to be accredited with the BIR using the Enhanced Electronic Accreditation and Registration (eAccReg) System facility.

Consequently, Special Purpose Machines (SPMs) that will be used solely for internal purposes or generates Supplementary Invoice/Receipts only such as, but not limited to, the following shall not be subject to accreditation under the Order but shall be required to register for the issuance of Permit to Use using the Enhanced eAccReg System facility:

- a. Automated Teller Machines (ATMs);
- b. Cash Depository machines/ATMs with cash depository;
- c. Foreign Exchange machines;
- d. Ordering machines;
- e. Bills Payment machines;
- f. Price Checking machines;
- g. Inventory checking and maintenance machines;
- h. Lottery Terminal/Ticketing Machine; and
- i. Other special purpose machines that does not generate sales invoices/official receipts, but may include machine/software functioning as ordering machine of online platforms.

Registration of POS/CRM/SPM/Other Similar Sales Machine shall be done via the Enhanced eAccreg System (except for e-Invoicing or e-Receipting System/Software used under a Subscription-Based Agreement), wherein a separate revenue issuance shall be provided relative to the Authority to Generate (ATG) for the e-Receipting or e-Invoicing System/Software used under a Subscription-Based Agreement) and shall be processed by the Large Taxpayers (LT) Office/Revenue District Office (RDO) within two (2) days after receipt of the application.

POS System which also generates Supplementary Invoices/Receipts along with Principal Invoices/Receipts shall be included in the accreditation and registration of such “Sales Machines/Software”.

The types of machines/software and the corresponding process/es required for each are summarized on the table below:

TYPE OF MACHINES/SOFTWARE	SUBJECT TO ACCREDITATION	SUBJECT TO REGISTRATION
1. CRM	✓	✓
2. POS	✓	✓
3. e-Invoicing or e-Receipting System/Software used under a Subscription-Based Agreement	✓	✓
4. Other Sales Machines Generating Invoices/Receipts	✓	✓
a. Taximeter	✓	✓
b. Handheld or mobile devices	✓	✓
c. Vending Machine	✓	✓
5. Special Purpose Machines	✗	✓
a. Automated Teller Machines (ATMs)	✗	✓
b. ATMs with Cash Depository	✗	✓
c. Foreign Exchange machines	✗	✓
d. Ordering machines	✗	✓
e. Bills Payment machines	✗	✓
f. Price Checking machines	✗	✓
g. Inventory checking and maintenance machines	✗	✓
h. Lottery Terminal/Ticketing Machine	✗	✓
i. Other SPM not generating sales invoices/official receipts	✗	✓
6. Computerized Accounting System (CAS)/Components of CAS/Computerized Books of Accounts	✗	✓
7. POS as Component of CAS	✓	✓
8. E-invoicing/e-receipting system as component of CAS	✗	✓

Legend: ✗ - not required ✓ - required

All suppliers/vendors/developers/providers/taxpayer-users who intend to distribute/sell/use “Sales Machines/Software” shall apply for enrollment in the Enhanced eAccReg System by submitting a **Sworn Declaration** to the LT

Office/RDO where such supplier/vendor/developer/provider/taxpayer-user is registered.

Upon receipt via email of the approval of their enrollment in Enhanced eAccReg System, suppliers/vendors/developers/providers/taxpayer-users shall apply for accreditation by accomplishing online the **Application for Accreditation** in the Enhanced eAccReg System and manually submitting all the documents listed under the **Checklist of Documentary Requirements** to the RDO where the supplier/vendor/developer/provider/taxpayer-user's Head Office is registered.

The "Sales Machines/Software" subject for evaluation and inspection by the BIR must comply with the specifications/features stated in Section IV (5) of the Order to qualify for the accreditation. Said specifications/features must be explicitly attested and declared by the taxpayer through a duly signed and notarized **Sworn Statement**. A "pseudo" supplier (as defined in the Order) of "Sales Machines/Software" shall likewise apply for accreditation of its machines/software.

The concerned Technical Working Group (TWG) shall evaluate the "Sales Machines/Software" on its compliance with the applicable specifications/features stated below to qualify for the accreditation through a system demonstration by the taxpayer-applicant. The schedule of the demo shall be coordinated with the taxpayer-applicant by the TWG Secretariat **within three (3) working days** upon receipt of complete documentary requirements or depending on the preparedness of the taxpayer-applicant to present the "Sales Machines/Software" to the TWG Members based on a "FIRST IN, FIRST OUT" policy. Meeting/evaluation may be done via any online platform depending on the situation.

The "Sales Machines/Software" shall comply with the following specifications/features, which must be indicated in the submitted notarized Sworn Statement, to wit:

- a. Accumulated Grand Total Sales
- b. Tamper-free
- c. Activity Log or Transaction Log
- d. Non-volatile memory
- e. E-journal or Audit Journal (for CRM and POS)
- f. Sales Readings
- g. Backend Reports
- h. Sequential series of accountable forms/documents
- i. Reprint Functionality
- j. "Push" Functionality
- k. Verification or Validation Seal
- l. Data Retention
- m. Sales Data Transmission

The **Functional and Technical Evaluation Checklist on Sales Machines/Software** shall be the guide and basis for evaluation of the "Sales Machines/Software" during the conduct of system demonstration. The said checklist shall be accomplished by the TWG Member/Team Head based on the discussions during the system demonstration with other TWG Members to determine whether or not the "Sales Machines/Software" is in compliance with the requirements set forth under the Order and other related revenue issuances. **Minutes of Meeting (MOM)** must be prepared for each of the system

demonstrations conducted. All items for compliance/submission/issues/peculiar feature of the systems must be indicated in the MOM.

The “Sales Machines/Software” must generate invoices/receipts showing the information required under Revenue Regulations (RR) No. 16-2018 and RR No. 6-2022, in relation to Sec. 6.0 of RR No. 11-2004, which must show, among others, the information enumerated below:

- a. The following salient information must be shown as a header of invoices/receipts:
 - Registered Name of the Seller;
 - Business Name or Style, if any, based on the clarifications provided on Revenue Memorandum Circular (RMC) No. 55-2019;
 - Detailed business address of the seller;
 - The phrase “VAT REG TIN” or “NON VAT REG TIN”, whichever is applicable, followed by 9-digit Taxpayer Identification Number (TIN) with 5-digit Branch Code of the Seller;
 - Machine Identification Number (MIN);
 - Serial Number of the sales machine (if branded machine) and the Serial Number of the Hard Disk Drive and/or Software License Number (if cloned machine) pursuant to RR No. 5-2005, as amended;
- b. Invoice/receipt number prominently shown with minimum of six (6) digits running Serial Number appended with a Reset Counter, if applicable;
Note: If the system generates transaction number, SI/OR number should be a different series.
- c. Date of transaction;
- d. Customer/Buyer details—Name, Address, TIN and Business Style for VAT SI/OR as reiterated by RMC No. 64-2015 pursuant to RR No. 16-2005, if applicable;
- e. Quantity;
- f. Description of the items/goods or nature of service rendered;
- g. Unit cost;
- h. Total cost;
- i. VAT Amount (if transaction is subject to 12% VAT);
- j. If the seller is engaged in mixed transactions, the sales amount shall be broken down to: VATable Sales, VAT Exempt Sales and Zero-Rated Sales;
- k. The phrase “THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAX.” in bold letters must be conspicuously printed at the bottom of supplementary invoices/receipts, such as but not limited to order slips, acknowledgment receipts, and collection receipts. Supplementary invoices/receipts also include adjustment documents, such as but not limited to return, void, cancellation, refund, and other similar documents that form part of the accounting records of the taxpayer and/or issued to customers;
- l. The word “EXEMPT” must be prominently shown on the face of the invoices/receipts for taxpayers whose transactions are not subject to

both VAT or Percentage Tax that will issue Non-VAT principal invoices/receipts (Example: rice dealer/vegetable/fruits/livestock/poultry sellers selling only the aforementioned goods);

- m. The breakdown of Sales Subject to Percentage Tax (SSPT) and Exempt Sales must be indicated on Non-VAT principal invoices/ receipts, if the taxpayer is subject to Percentage Tax under Title V of the National Internal Revenue Code (NIRC), as amended by RA No. 10378 (An Act Recognizing the Principle of Reciprocity as Basis for the Grant of Income Tax Exemptions to International Carriers and Rationalizing Other Taxes Imposed Thereon by Amending Sections 28(A)(3)(a), 109, 118 and 236 of the NIRC, as amended, and for Other Purposes) but also sells goods/services under Section 109 (A) to (W), excluding (E) of the same Code, as amended;
- n. The following information must be provided if the taxpayer shall transact with Senior Citizen (SC), Person with Disability (PWD), National Athletes and Coaches (NAAC), and/or Solo Parent pursuant to RA No. 9994, RA No. 10754, RA No. 10699, respectively:
 - SC/PWD/NAAC/Solo Parent TIN, if any;
 - OSCA/PWD ID/Philippine National Sports Team (PNSTM) Identification Card No./Solo Parent Identification Card No.;
 - SC/PWD/NAAC/Solo Parent Discount (show the 5% or 20%, whichever is applicable - detailed breakdown must be shown including the VAT exemption, if any); and
 - Signature of the SC/PWD/NAAC/Solo Parent;
- o. The following shall be printed at the bottom portion of the OR/SI/CI:
 - Name, Address and TIN with 5-digit Branch Code of the accredited supplier of sales machines;
 - Accreditation number and the date of accreditation (date issued and valid until) of the accredited supplier; and
 - PTU Number and the Date Issued or Authority to Generate (ATG) Control Number (whichever is applicable).

Taximeter Issuing Receipt must follow RR No. 17-2006 with the information required on the tape receipts, as enumerated below (items a to d must be printed consecutively in the following order in the Official Receipt Header):

- a. Business Name/Name of Taxi;
- b. Registered Taxpayer's Name with BIR;
- c. Taxpayer Identification Number (12 digits including Branch Code);
- d. Address of Operator;
- e. Telephone Number;
- f. Invoice/Receipt Number (minimum of 6 digits);
- g. Accreditation Number;
- h. Permit Number;
- i. Plate Number;
- j. Color Coded Body Number;
- k. Date of Transaction;
- l. Odometer Reading-Start;

- m. Odometer Reading-End;
- n. Distance Travelled;
- o. Waiting Time;
- p. Amount of Fare (In Philippine Peso);
- q. "THIS SERVES AS AN OFFICIAL RECEIPT".

In case "Sales Machines/Software" do not have the capability to encode the information to be reflected on system-generated invoices/receipts and the customer/buyer is a VAT-registered entity, a manual invoice/receipt with approved ATP showing the required information must be issued by the taxpayer/seller; otherwise, the claim for input tax (for VAT purposes) or allowable expenses (for Income Tax purposes) by the customer/buyer shall be disallowed. In such cases, the system-generated tape invoices/receipts must be attached to the duplicate copy of the manual invoices/receipts to avoid a double take-up of sales and as proof during audit.

Sales generated from "Sales Machines/Software" where tape receipts issued were replaced by manual invoices/receipts must be summarized and shall be deducted from the sales to be reported to the Electronic Sales Reporting (eSales) System. Such deduction shall be reflected as an adjustment in the CRM Sales Book or Backend Report, whichever is applicable, pursuant to **RR No. 16-2018**.

In case the taxpayer-applicant has a related company, such as affiliate, subsidiary, branch, franchisee, reseller, or distributor with existing accreditation and sells/distributes/uses **exactly the same "Sales Machines/Software"**, system demonstration may be forgone provided that the complete documentary requirements shall be submitted by the taxpayer-applicant, including a **Sworn Statement (Reseller/Distributor of Sales Machines/Software with Existing Accreditation)** stating such facts. A **Certificate of Accreditation** shall be issued **within seven (7) working days** from receipt of such application with complete documentary requirements.

The **Certificate of Accreditation** shall be issued by the concerned RDO once the application is approved; otherwise, a **Notice/Letter of Denial** with the reasons for denial stated therein shall be issued if the said application is denied due to non-compliance with the functional and technical requirements. Once accredited, the Certificate of Accreditation shall reflect an **Accreditation Number (AN)** for a particular machine brand/model/system/software version and shall be issued **within twenty (20) working days** from compliance of the taxpayer with the complete documentary requirements and system demonstration, except for applications stated under Section IV (10) of the Order. Otherwise, issue the Notice/Letter of Denial for non-compliance or non-submission of the documentary requirements on the prescribed period. Application for Accreditation of "Sales Machines/Software" is for **"FREE"**. No charge/fee shall be imposed by any Region/LT Office/RDO.

Any "Sales Machines/Software" that was previously accredited but shall undergo major enhancements/upgrades/modifications shall be required to file new Application for Accreditation following the procedures provided herein. A comparative matrix of the functions and/or features between the previously

accredited “Sales Machines/Software” and its upgraded/modified/enhanced version shall be required upon filing of the new accreditation application. A new **Certificate of Accreditation** shall be issued upon approval of the said application.

Enhancements will include but are not limited to: additional functionality, improved field and batch validations, additional reports, change of database platform to accommodate new data to be captured, change of parameter settings during inquiry or change in hardware (for application with bundled Machines/Software). In general, version upgrades and application/system enhancements are considered as “Major Enhancements” which will merit reaccreditation.

“Minor Enhancements” shall not require reaccreditation but the taxpayer must inform the LT Office/RDO of such change/ minor enhancement. Examples of “Minor Enhancements” are arrangement of the field for user interface and adding security control that is transparent to the user or any modification that will not change/impact any functionality of the system/application.

A **Consolidated Monthly Report on the Applications for Accreditation Received** shall be submitted by the Large Taxpayer Accreditation Board (LTAB)/Regional Accreditation Board (RAB) Secretariat to NAB Secretariat every 10th day of the following month for monitoring purposes and necessary action on all unresolved issues which will require clarification by the NAB.

The **eAccReg System Accreditation of Software and/or Hardware Job Aid** shall serve as guide of the concerned Head/member of LTAB/RAB/TWG Secretariat in using the system.

A list of all duly updated accredited “Sales Machines/Software” shall be posted by the concerned office in-charge with the official website of the BIR (www.bir.gov.ph) to inform the taxpayer-user of those “Sales Machines/ Software” that have been accorded official accreditation by the BIR.

If during the conduct of Tax Compliance Verification Drive or post evaluation/audit, the following findings have been observed, the Certificate of Accreditation granted shall be subject for revocation:

- a. Tampering Certificate of Accreditation;
- b. Any misrepresentation on the Sworn Statement submitted by the supplier;
- c. Tampering of sales data to avoid the recording of sales transactions;
- d. Use of sales suppression software or mechanism; and
- e. Any violation(s) of the supplier on the policies and procedures for accreditation under RR No. 11-2004, this Order, and other relevant existing revenue issuances.

Revocation of the Accreditation of the developer/distributor due to any of the grounds enumerated above does not necessarily mean that the Permit to Use (PTU) issued to the taxpayer-user of the system is automatically revoked. However, if the violation was done by the taxpayer-user, that will now be a ground for revocation of the PTU.

All revenue officials, officers and employees of the BIR must strictly observe the “ACCREDITATION IS FREE OF CHARGE” policy and comply with the time within which the Certificate of Accreditation or Notice/Letter of Denial should be issued to the taxpayer-applicant in accordance with the provisions of Republic Act

(RA) No. 9485 (Anti Red Tape Act of 2007), as amended by RA No. 11032 and the latest Citizen's Charter of the BIR. Any violation of the provisions of this Memorandum shall be subject to the corresponding penalties imposed under RA No. 11032, Section 269 and other related provisions of the NIRC of 1997, as amended, and other applicable

All pending applications upon approval of this Order must already comply with the policies and requirements stated herein to proceed with the processing of the application. On the other hand, previous accreditation of "Sales Machines/Software" that were granted prior to the effectivity of this Order and were found to be not completely compliant with the requirements under this Order is still valid until its expiration or if such "Sales Machines/Software" have undergone enhancement. Thus, such "Sales Machines/Software" will have to undergo reaccreditation to check its compliance with the requirements of this RMO and other revenue issuances related to the Accreditation of POS.

The roles and responsibilities of the Accreditation Board (AB) in the National Office, Large Taxpayers Service (LTS) and the Revenue Regions as well as the procedures relative to the accreditation of "Sales Machines/Software" used under a Subscription-Based agreement are specified in the Order.