



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION

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November 2, 2016

REVENUE REGULATIONS NO. 8-2016

SUBJECT : Amending Certain Provisions of Revenue Regulations No. 1- 2016
TO : All Internal Revenue Officers and Others Concerned

SECTION 1. SCOPE.- Pursuant to Sections 7(a) and 244 of the National Internal Revenue Code, these regulations are hereby promulgated for the purpose of amending certain provisions of Revenue Regulations No. 1-2016.

SECTION 2. AMENDMENT.- Item 4.0 (Specific Provisions) of Revenue Regulations 1-2016 is hereby amended. A new Item 4.0 is inserted to read as follows:

4.0 Specific Provisions

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4.2 Acceptable Tax Return Submissions for Participation Government Procurement—Only tax returns filed thru the BIR’s Electronic Filing and Payment System (eFPS) will be accepted as the required submission under Section 1 of Executive Order No. 398.

4.3 Validation of Tax Return and its applicable attachment/s by the Procuring Government Entity—The tax returns and its attachments (e.g. Audited Financial Statements, etc.) must be validated with the concerned Office under the Large Taxpayers Service, if the bidder is classified as a large taxpayer, or with the Revenue District Office where the bidder is registered.

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4.4 Tax Clearance—The filing and processing of applications for Tax Clearance for Bidding Purposes shall be governed by the following guidelines and policies:

4.4.1 All applications for the issuance of Tax Clearance in accordance with the requirement under RA No. 9184 and EO No. 398 shall be manually filed with the Office of the Accounts Receivable and Monitoring Division (ARMD) in the National Office, until such time that an online application for this purpose has been made available for use of prospective bidders.

4.4.2 To prove full and timely payment of taxes as required under Executive Order No. 398, a Tax Clearance with a validity period of one (1) year from the date of issuance, unless sooner revoked for valid reasons, shall be issued to any applicant who has satisfied the following criteria:

- a. No unpaid annual registration fee;
- b. No open valid "stop-filer" cases;
- c. A regular user of the BIR's eFPS for at least two (2) consecutive months prior to the application for Tax Clearance;

The required two (2) consecutive months usage of eFPS shall only apply to new applicants. For those which were previously issued Tax Clearance for bidding purposes, the requested Tax Clearance shall only be issued if they are found to be regular eFPS users from the time of enrollment up to the time of filing of application.

- d. Not tagged as "Cannot Be Located" taxpayer;
- e. No pending criminal information has been filed in any court of competent jurisdiction arising from any tax or tax related cases; and
- e. No delinquent account.

For purposes of this regulations, delinquent account shall refer to the outstanding tax liabilities arising either from self-assessed taxes (i.e., unpaid second installment of income tax due per income tax return filed, unredeemed dishonored check, tax payments using expired Tax Debit Memo and any unpaid tax due as

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declared in the tax return filed) or as a result of an audit or third party information through the issuance of an assessment notice which was not validly protested within the prescribed period.

For applicants with delinquent accounts but the tax liabilities involved were the subject of a pending application for compromise settlement or abatement of penalties pursuant to Section 204 of the Tax Code, as amended, a Tax Clearance shall nevertheless be issued. Provided, however, that the applicant has fully paid the amount offered for payment upon the application for compromise settlement or abatement of penalties. In cases where during the one (1) year validity period of the Tax Clearance, the application for compromise settlement/abatement was denied by the National/Regional Evaluation Board/Commissioner, as the case may be, the taxpayer-applicant shall be notified of such denial. The taxpayer will be given a period of thirty (30) days within which to fully settle the unpaid tax liabilities; otherwise, the tax clearance issued to him shall be revoked.

4.4.3 In the event that a tax delinquency will arise during the one (1) year validity period of the Tax Clearance, the concerned taxpayer shall be notified thereof. A period of thirty (30) days will be given to the taxpayer to fully settle the tax liabilities; otherwise, the Tax Clearance shall cease to be valid.

4.4.4 The name of the prospective bidders/taxpayers who shall be found to have submitted a spurious Tax Clearance to any Procuring Office shall be forwarded to the Prosecution Division of the Bureau for the filing of the appropriate criminal charges. The Procuring Agency, on the other hand, shall impose the appropriate administrative penalty, in accordance with Section 69 of Republic Act No. 9184.

No Tax Clearance shall be issued to the prospective bidder, notwithstanding the satisfaction of the criteria provided under 4.4.2 of this regulations, until such time that the criminal case filed against the prospective bidder is resolved or the administrative sanctions imposed by the

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concerned procuring agency has been lifted, whichever is applicable.

4.5 Validation of Tax Clearance by the Procuring Government Agency-- A Tax Clearance obtained under paragraph 4.4 above must be verified for authenticity from the list of of Tax Clearances issued and published in the BIR website (www.bir.gov.ph), by accessing Tax Clearance under "announcement", then choose the applicable period of issuance. Those Tax Clearances which have been revoked for valid reasons are also posted in the BIR website.

SECTION 3. REPEALING CLAUSE.- All issuances which are inconsistent herewith are hereby amended, modified or repealed accordingly.


This Order shall take effect immediately.



CARLOS G. DOMINGUEZ III
Secretary



Recommending Approval:



CAESAR R. DULAY
Commissioner of Internal Revenue

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