

**[BIR Revenue Memorandum Order No. 7-2015,
January 22, 2015]**

**THE REVISED CONSOLIDATED SCHEDULE OF COMPROMISE
PENALTIES FOR VIOLATIONS OF THE NATIONAL INTERNAL
REVENUE CODE**

Adopted: 22 January 2015

Date Filed: 23 April 2015

I. Objectives:

This Order is issued to adopt and implement a uniform application of the compromise penalties involving violations of the National Internal Revenue Code of 1997 (Tax Code), as amended, as well as to update the Schedule of Compromise Penalties specified under RMO No. 19-2007 and further deleting from the coverage thereof certain acts commonly resorted to by taxpayers as means of tax evasion.

II. Policies:

The applicable policies and guidelines prescribed under RMO No. 19-2007 shall remain for the strict compliance by all concerned, and are quoted as follows:

- "1. In all cases of criminal violations of the NIRC, not involving the commission of fraudulent act it is directed that henceforth, compromise penalties to be imposed shall follow strictly the amounts in the attached "Revised Schedule of Compromise Penalties", marked as Annex "A"^[*] and made an integral part hereof.
2. Certain acts/violations which are commonly resorted to by taxpayers as means of tax evasion are deleted from the coverage thereof for having met the requirements of the definition of fraudulent acts.

III. Guidelines and Instructions:

1. The internal revenue officers concerned shall apply the Revised Schedule of Compromise Penalties embodied in Annex "A" to ensure uniformity of action.
2. Cases involving fraud shall be referred to the concerned Division having jurisdiction over the case, for the institution of the corresponding criminal action.
3. In no case shall the compromise penalty differ in amount from those specified in the aforementioned Schedule, except when duly approved by the Commissioner or concerned Deputy Commissioner, or in proper cases, by the Regional Directors.