

**[ BIR REVENUE MEMORANDUM ORDER NO. 30-2014, August 05, 2014 ]**

**PRESCRIBING THE UNIFORM GUIDELINES AND PROCEDURES IN THE REMITTANCE OF ALL TAXES WITHHELD BY NATIONAL GOVERNMENT AGENCIES (NGAs) TO THE BUREAU OF INTERNAL REVENUE (BIR) THROUGH THE USE OF ELECTRONIC TAX REMITTANCE ADVICE (eTRA) SYSTEM**

*Adopted: 05 August 2014*

*Date Filed: 01 September 2014*

**I. OBJECTIVES**

1. Provide the uniform guidelines and procedures to be followed by all concerned revenue offices for the implementation of Revenue Regulations (RR) No. 1-2013 prescribing the use of the Electronic Tax Remittance Advice System (eTRA) System, through the facilities of the Electronic Filing and Payment System (eFPS) of this Bureau, by all concerned National Government Agencies (NGAs) in the remittance of the withholding taxes.
2. Prescribe the use of the TRA Debit Memo to document adjusting entries on erroneously generated eTRA.
3. Delineate duties and responsibilities of all concerned offices for the effective implementation of the eTRA System.
4. Ensure that the withholding taxes remitted by the NGAs through the eTRA System are timely and accurately posted in the Integrated Tax System (ITS), as well as credited as revenue collection in this Bureau's books of accounts.
5. Prescribe the reporting requirements of all concerned revenue offices and personnel for the effective control and monitoring of remittances of all concerned NGAs.

**II. POLICIES**

1. All revenue offices concerned, whether computerized or non-computerized, shall issue a Notification Letter to all NGAs, including their branches and extension offices, located under their respective jurisdiction informing them of the mandate to use the eTRA System, through the facilities of the eFPS, in the remittance of taxes withheld pursuant to RR No. 1-2013.
2. Each and every NGA shall be enrolled with the eFPS and activated on-line by the revenue office concerned within five (5) days from the date of receipt of the written request by the NGA for enrollment with the eFPS. The written request for enrollment shall contain the Taxpayer Identification Number (TIN) of the NGA and the complete address thereof, including the fund code(s) and the names of its personnel who are duly authorized to use the eFPS for filing the withholding tax returns and remittance of the corresponding withholding

tax due thereon through the eTRA System.

3. For purposes of viewing/generating the "Withholding Tax Collection Report of NGAs thru e-TRA" under the reports facility of the eFPS, all concerned personnel who are duly authorized by their respective Heads of Offices to use the eFPS-eTRA System shall secure their corresponding access accounts. A request for the revocation of their access accounts shall be immediately filed with the appropriate Office of this Bureau in cases where the authority to use the eFPS of these personnel is already terminated.
4. The remittance of withholding taxes by the NGAs shall be closely monitored by all concerned revenue personnel, through the "Withholding Tax Collection Report of NGAs thru e-TRA" of the eFPS reporting facility, in order to detect any erroneous entry that may be committed by the NGA, such as, but not limited to, the following:
  - a. Amount of tax paid per system-generated TRA is more than the amount of tax due and payable reflected in the electronically filed tax return. (Scenario Code No. 4a)
  - b. Sum of the amounts in two or more eTRAs each containing different amounts of withholding tax is more than the amount of tax due and payable per electronically filed tax return. (Scenario Code No. 4b)
  - c. Sum of the amount in eTRAs and cash payments made through authorized banks is more than the amount of tax due and payable per electronically filed tax return. (Scenario Code No. 4c)
  - d. Double or multiple system-generated TRAs each containing exactly the same amount of withholding tax that corresponds to only one electronically filed tax return. (Scenario Code No. 4d)
  - e. Amount of tax paid per system-generated TRA is less than the amount of tax due and payable reflected in the electronically filed tax return. (Scenario Code No. 4e)
  - f. No tax has been paid per amount of tax due and payable reflected in the electronically filed tax return. (Scenario Code No. 4f)
5. In case of such errors, the following rules shall be strictly observed in addressing the same:
  - a. A written notice shall have been submitted by the erring NGA to the concerned revenue office for purposes of validating and explaining the incident. Should the concerned revenue office first discover such error(s) before any written notice has been submitted by said NGA, the appropriate coordination with the concerned NGA shall be immediately conducted by the concerned revenue office and require the submission of the said written notice by the former.
  - b. The validated error(s) shall be corrected in the Integrated Tax System-Collection and Bank Reconciliation System (ITS-CBRS) and not through the eFPS. This necessary correction shall only be effected once the corresponding TRA Debit Memo has been duly approved by the concerned Regional Director/ACIR, LTS.
  - c. Only the concerned Revenue District Officer, Chiefs of the Large Taxpayers Divisions (LTDs)-Makati and Cebu, and Chief, Large Taxpayer Document Processing Quality Assurance Division (LTDPQAD) are

authorized to personally cancel/modify the erroneous entries affecting the amount of withholding tax in the ITS-CBRS according to the procedures prescribed in the ITS Operations Manual.

- d. No erroneous entry shall be cancelled/modified in the ITS-CBRS without the conduct of a prior verification and the duly approved recommending memorandum report submitted for the purpose to the Regional Director or ACIR, LTS, as the case may be, by the concerned revenue offices, as well as the duly approved TRA Debit Memo prescribed in the following paragraph.
- e. In addition to the recommending memorandum report, the concerned revenue offices shall prepare and accomplish the TRA Debit Memo using the format in Annex "A" of this Order in five (5) copies, for approval by the Regional Director and/or ACIR, LTS, and distributed as follows:
  - (a) Original - NGA for presentation to DBM
  - (b) Duplicate - Revenue Accounting Division
  - (c) Triplicate - Finance Division, for Regional Office/attachment to the docket, for concerned LTS Office
  - (d) Quadruplicate - Miscellaneous Operations Monitoring Division
  - (e) Quintuplicate - RDO/concerned LTS Office

For this purpose, one TRA Debit Memo shall be issued for each erroneously generated eTRA as indicated in Policy No. 4 hereof on a per tax/form type and on a per transaction basis. Accordingly, erroneous entries in the eTRA other than those affecting the amount of the withholding tax, shall not be covered and corrected through the issuance of TRA Debit Memo.

Moreover, the RDO/LTS Office shall issue/transmit the appropriate copies of the duly approved TRA Debit Memo to the above concerned revenue offices within twenty four (24) hours immediately after receipt of the duly approved TRA Debit Memo from the concerned Regional Director/ACIR, LTS. *Provided, however,* That, for the concerned LTS Office, the copy of the TRA Debit Memo intended for the Finance Division shall be retained by the said LTS Office and the same shall form part of the docket.

Furthermore, the duly approved TRA Debit Memo shall be non-transferable and non-convertible to cash.

6. The Regional Director/ACIR, LTS shall assign a serial number for each TRA Debit Memo immediately after approval thereof, in the following manner and order:
  - a) Revenue Region Number, for TRA Debit Memo issued by the concerned revenue region and the term "LTS" for TRA Debit Memo issued by the LTS
  - b) Calendar Year of approval of the TRA Debit Memo
  - c) RDO Number, for TRA Debit Memo processed by the concerned RDO and LTD – Makati and Cebu and the term "LTDPQAD" for TRA Debit Memo processed by LTDPQAD
  - d) Control Number with eight (8) characters

For this purpose, a control book shall be maintained by the Regional Director/ACIR, LTS for all approved TRA Debit Memos containing the

following information:

- a) Date of approval of the TRA Debit Memo
- b) Serial number
- c) Name, TIN and address of the NGA
- d) Amount of the TRA Debit Memo
- e) Serial number and date of the TRA
- f) Return period covered
- g) Tax type involved
- h) Form type covered

Example: If the first TRA Debit Memo to be issued is approved by the Regional Director of Revenue Region No. 8-Makati in 2014 which was submitted for approval by RDO No. 48-West Makati, the serial number shall be RR8-2014-048-00000001.

7. In order to prevent the overstatement of revenue collections resulting from any of the above instances, both the verification of the reported discrepancies/errors by NGAs, as well as the adjustments in the ITS-CBRS, if appropriate, shall be made within five (5) days from receipt of the written notice from the NGA. Any necessary adjustment in the ITS-CBRS shall, in no case, be made after the end of the calendar month of collection of the withholding taxes.
8. The National Office Data Center (NODC) and all the concerned Revenue Data Centers (RDCs) shall generate monthly reports enumerated below on the erroneous entries and adjustments thereon and transmit the same to the concerned RDOs/LTS Offices falling under their respective jurisdiction within the deadline, as follows:

<b>Type of Report</b>	<b>Deadline</b>
1. Exception Report on Erroneous Entries Committed by NGAs (Annex "B")	Not later than ten (10) days immediately after the payment of the withholding taxes due, through the eTRA System by the NGAs
	<i>Example: If the withholding tax due for the month of January, 2014 (return period) was remitted on February 10, 2014 (collection period), the exception report for any erroneous entry committed by the NGA must be generated on or before February 20, 2014.</i>
2. Report of Adjustments To Erroneous Entries Committed by NGAs (Annex "C")	Within twenty fours (24) hours immediately after the end of the month of collection of the withholding taxes.

Provided, however, that with respect to the Exception Report on Erroneous Entries Committed by NGAs (Annex "B"), the Chief, Data Warehousing and Systems Operations Division (DWSOD) shall generate the said report covering all RDOs and concerned LTS Offices and transmit the same to the Chief, MOMD within the same abovementioned prescribed deadline for purposes of monitoring the conduct of all concerned RDOs/LTS Offices on the verification and resolution of the erroneous entries committed by NGAs falling under their respective jurisdiction.

With respect to the "Report of Adjustments to Erroneous Entries Committed by NGAs" (Annex "C"), the column under the heading "Scenario Code" and the last three columns provided under the heading "TRADM" shall be accomplished by the concerned RDO/LTS Offices to identify the erroneous entries upon which TRADMs were correspondingly issued. The accomplished report shall be transmitted by the concerned RDO/LTS Offices to the Chief, MOMD, together with the corresponding copies of the TRA Debit Memo, within two (2) days from receipt of the said report from the NODC/RDCs.

9. The MOMD shall prepare a memorandum containing the results of its monitoring activities and transmit the same to the Chief, Revenue Accounting Division for the appropriate reconciliation and adjustments in its books of accounts not later than five (5) days immediately after end of the calendar month.
10. Where there are considerable number of reported requests for technical assistance from the BIR's Help Desk by concerned taxpayers for failure to access the eFPS, or where is downtime or unavailability of the eFPS, as the case may be, during the deadline period for the filing of the withholding tax returns and the payment of the tax due thereon, through the eTRA System, an advisory shall be issued to this effect duly posted at the BIR website. Within twenty four (24) hours immediately after the issuance and posting at the BIR website of the subsequent advisory informing the availability of the eFPS, the NGAs shall be required to file the withholding tax returns through the eFPS and pay the corresponding tax due thereon, through the eTRA System. Otherwise, the concerned NGA shall be liable for the corresponding penalties for late filing and payment of the withholding tax. However, in cases where the downtime or unavailability of the eFPS shall occur for an unexpected considerable length of time due to meritorious reasons beyond the control of the NGAs, such as prolonged technical problem of the eFPS, force majeure, fortuitous events, etc., a separate issuance shall be issued for this purpose.
11. All unused manual TRAs, both in the possession of the NGAs and all concerned revenue offices, shall be accounted and surrendered to the National Office pursuant to the transitory provisions of this Order.

### **III. PROCEDURES**

#### **A. The Revenue District Office/Concerned LTS Office shall:**

##### **1. Taxpayer Service Section-RDO/LTD-Makati and Cebu**