



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

December 28, 2020

REVENUE MEMORANDUM CIRCULAR NO. 5-2021

SUBJECT : **Simplified Policies on the Application for Registration of Computerized Accounting System (CAS), Computerized Books of Accounts (CBA) and/or its Components, including the Electronic Storage System (ESS), Middleware and Other Similar Systems**

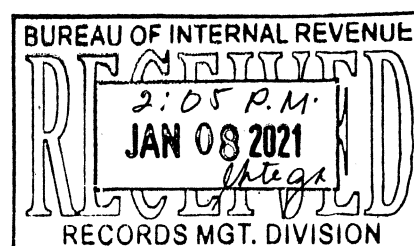
TO : **All Business Establishments, Internal Revenue Officials, Employees and Others Concerned**

In compliance with the provisions of **Republic Act (RA) No. 11032**, also known as the “*Ease of Doing Business and Efficient Government Service Act of 2018*” and in relation to Section 232 to 235 of the National Internal Revenue Code (NIRC), as amended by **RA No. 10963** or the “*Tax Reform for Acceleration and Inclusion (TRAIN)*”, this Circular is hereby issued to provide the simplified policies on the Application for Registration of Computerized Accounting System (CAS), Computerized Books of Accounts (CBA) and/or its Components, including the Electronic Storage System (ESS), Middleware and Other Similar Systems (hereby collectively known as “System”) and hereby supersedes the provisions of **Revenue Memorandum Circular (RMC) No. 10-2020** - *Suspends the requirement for Permit to Use (PTU) Computerized Accounting System (CAS), Computerized Books of Accounts (CBA) and/or Component(s) thereof and allows their use subject to compliance requirement* and certain portions of **Revenue Memorandum Order (RMO) No. 29-2002** - *Revised Procedures in the Processing and Approval of Applications for Permit To Adopt Computerized Accounting System (CAS) or Components Thereof Amending RMO 21-2000* that are inconsistent with the provisions of this RMC.

All taxpayers intending to use CAS, CBA and/or its Components, including the ESS, Middleware and Other Similar Systems shall not be required to secure PTU, instead, shall be registered subject to the following policies:

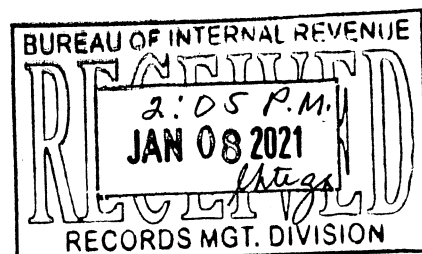
1. Register the “System” by submitting the documentary requirements stated on the “**Checklist of Documentary Requirements**” (CDR) (Annex “A”) to the Revenue District Office (RDO) where the taxpayer is registered. *BIR Form No. 1900 - Application for Authority to Use Computerized Accounting System or Components thereof/Loose-Leaf Books of Accounts* shall no longer be required for the submission of application for registration of the “System”.
2. The “System” shall comply with the standards set forth under Annex “B” hereof; otherwise, when discovered to have violated the said standards during post-evaluation or audit, the taxpayer-user shall be subject to penalties provided under RMO No. 7-2015 and other existing revenue issuances.

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3. Upon submission of complete documentary requirements, an **Acknowledgement Certificate (AC)** (Annex "C") shall be issued **within three (3) working days** from receipt of the complete documents by the RDO where the taxpayer-user of the system is registered. Hence, Permit to Use CAS, CBA and/or Components shall no longer be required for the use and registration of the "System" upon approval of this Circular.
4. System demonstration or pre-evaluation shall not be required prior to the use of the "System". However, post-evaluation shall be conducted by the concerned RDO to determine compliance of the "System" registered with the Bureau to the standards set forth in Annex "B".
5. All taxpayers with existing Permit To Use (PTU) CAS, CBA and/or its Components shall **NOT** be required to apply for registration. The approved PTU previously issued by the Bureau shall still be valid, except for the following circumstances:
 - a. PTU was revoked upon discovery of its non-compliance with existing revenue issuances during the conduct of authorized audit activity, Tax Compliance Verification Drive (TCVD) or Post-Evaluation.
 - b. Existence of major system enhancement or upgrade, which will require the filing of a new application for registration of the "System".
6. Taxpayer must submit a new application for registration in case of major system enhancement, such as but not limited to any of the following:
 - a. Change in the functionalities of the system particularly on enhancements that will have a direct effect on the financial aspect of the system that includes modified computations and other financial-related issues that were considered;
 - b. Addition or removal of modules or submodules within the system that will have a direct impact on the financial aspect of the system;
 - c. Change in the system/software Version or Release Number that will have enhancements on the financial aspect of the system; and
 - d. All other enhancements that will be deemed as major system enhancement based on the recommendation of the technical evaluators after the comparative functionalities of the old and upgraded "system" were presented by the taxpayer.

In case a taxpayer is found to have used an enhanced/updated system/software/application without registering with BIR prior to the use of such enhanced "system", the PTU originally issued shall be automatically revoked or registration shall have no effect from the time the



enhanced/upgraded system/software/application is adopted by the taxpayer and may still be subjected to applicable penalty under existing revenue issuances.

7. In case of any minor system enhancement, e.g., user interface modification, bug fixes, performance improvements, etc., the taxpayer must submit a written notification to their registered RDO/LT Office stating the specific minor enhancements on the system.

The detailed guidelines and procedures shall be provided regarding the registration of the "System" in a separate revenue issuance.

This Circular shall take effect immediately.

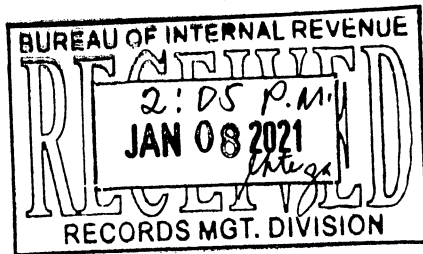


CAESAR R. DULAY

Commissioner of Internal Revenue

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CHECKLIST OF DOCUMENTARY REQUIREMENTS (CDR)

NAME OF TAXPAYER : _____
TIN : _____
RDO : _____
SOFTWARE NAME/VERSION NO. : _____

REQUIREMENTS

COMPLIED

Put check (✓) in the check box if requirement/s is/are submitted. Put (✗) on the items still for compliance.

A. General Requirements

- 1. Sworn Statement (if system is used and maintained by taxpayer) attached herein as Annex "A-1" or Joint Sworn Statement (if system is outsourced or used and maintained by service provider instead of taxpayer) attached herein as Annex "A-2", whichever is applicable, with attached duly accomplished Summary of System Description, Commercial Invoice/Receipts/ Document Description, Forms/Records and Reports Specification attached herein as Annex "A-3";
2. Sample print-out of Principal and Supplementary Receipts/invoices compliant with Revenue Regulation (RR) No. 16-2018 and other accountable forms that will be used, if applicable(as declared on Part V of "Annex A-3");
3. Sample print-out of Books of Accounts (BOA) compliant with Revenue Regulations (RR) No. 9-2009 and other reports that can be generated from the system and will be used, if applicable (as declared on Part VI of "Annex A-3");
4. Printed copy of Audit Trail (activity log generated by the system); and
5. Duly accomplished and signed Annex "B" - Standard Functional and Technical Requirements.

B. If the Software License of the software to be used is under the name of the parent or affiliate:*

- 1. Certification from the purchasing company allowing the taxpayer-applicant to use the same system;

* Must be submitted in addition to the documents/ requirements listed under A. General Requirements.
NOTHING FOLLOWS

Submitted by: _____ Date: _____
Taxpayer-Applicant's Name

Received by: _____
BIR's Receiving Officer

Date: _____

RETURN SLIP

Acknowledgement by the Taxpayer-Applicant/Authorized Representative:

I _____, of legal age, hereby acknowledge that the items marked with "☒" are lacking documentary requirement/s and as such accept the documents being returned by BIR. I understand that the registration of the system/software I intend to file will only be processed upon submission of complete document/s.

Name of Taxpayer-Applicant/ Representative
(Signature over printed name)
Date: _____

SWORN STATEMENT

Republic of the Philippines
 Province of _____
 City/Municipality of _____

I, _____, _____, of legal age, designated as _____ duly representing _____, with business address located at _____ do hereby voluntary depose and say that:

- The software/system to be adopted has the functional and technical features/description as shown in Annex "A-3" hereof;
- The subject <Computerized Accounting System (CAS)/ Computerized Books of Accounts (CBA) and/or its Component(s)/ Middleware/ Electronic Storage System (ESS)> complies with the applicable requirements prescribed under existing revenue issuances and as declared in Annex "B" hereof;
- The <CAS/CBA and/or its Component(s)/ Middleware/ ESS>;
 - can produce audit trails/activity logs that can be generated and printed any time showing information such as stamped date and time, user/s who created and/or updated the data, activity performed, and values of data involved;
 - can provide archive/restore procedures;
 - can provide comprehensive systems documentation.
- The <CAS/CBA and/or its Component(s)/ Middleware/ ESS> is integrated with effective security controls; *(specify security controls)*
- There is no suppression of sale/income and/or other technical scheme within the system that may affect the correctness of the sales for purposes of taxation;
- The target system implementation date shall be on <Month-Day-Year>;
- The system application and database backup shall be preserved for a mandatory period of ten (10) years pursuant to Revenue Regulations (RR) No. 17-2013, as amended by RR No. 5-2014;

- The system application can be accessed and viewed by Revenue Officers of the BIR for purposes of authorized audit activity, Post Evaluation or Tax Compliance Verification Drive (TCVD);
- The company as a user of the software/system shall be responsible to provide the BIR with sales and other financial data from the software/system relevant and necessary in the conduct of the audit, Post Evaluation or TCVD and shall require its software provider to assist in extracting the required data, as deemed necessary.
- In case of violation of existing rules and regulations, I hereby undertake to face any legal sanctions and pay corresponding penalties thereof as provided for under the National Internal Revenue Code of 1997, as amended, and relevant revenue issuances.

I HEREBY DECLARE UNDER THE PENALTIES OF PERJURY THAT THE FOREGOING ATTESTATIONS ARE TRUE AND CORRECT.

 Authorized Representative
 (Signature over Printed Name)
 TIN: _____

SUBSCRIBED and sworn to before me, in the City/Municipality of _____, this day of _____, 20__ by _____ with Residence Certificate No. _____ issued at _____ on, _____ 20__.

NOTARY PUBLIC

Doc. No. _____
 Page No. _____
 Book No. _____
 Series of _____.

JOINT SWORN STATEMENT

(System/software will be outsourced)

Republic of the Philippines
Province of _____
City/Municipality of _____

I, (Name of Affiant), (Nationality), of legal age designated as (Position), duly representing (Name of Company/Corporation), the user of the Computerized Accounting System and/or its Components thereof, with business address located at _____, engaged in (Line of Business) and existing under (Business Name), with (VAT/Non-VAT Registered) TIN _____ referred hereto as “Taxpayer/Client”.

-and-

I, (Name of Affiant), (Nationality), of legal age designated as (Position), duly representing (Name of Company/Corporation), the developer/provider of the Computerized Accounting System (CAS) and/or its Components thereof, with business address located at _____, engaged in (Line of Business) and existing under (Business Name), with (VAT/Non-VAT Registered) TIN _____ referred hereto as the “Service Provider”.

Do hereby voluntarily depose and say that:

As Taxpayer/Client:

- Shall be responsible to have the system be registered with BIR prior to its use;
- (Name of User) contracted the services of (Name of Developer/ Service Provider) for the (indicate service to be rendered to the taxpayer) and will use the (CAS/CBA and/or its Components/Middleware/ESS) owned/developed by the latter;
- Shall maintain all accounting records and other relevant financial data which can be accessed and will be made readily available to BIR as requested during audit, Post-Evaluation and Tax Compliance Verification Drive (TCVD);
- The system/software has no suppression of sales/income and/or other technical scheme within the system that may affect the correctness of the sales for purposes of taxation;
- That all reports, accounting records and other relevant financial data shall be retained for 10-year period pursuant to Revenue Regulations (RR) No. 17-2013, as amended by RR No. 5-2014; and
- Shall notify the RDO having jurisdiction over our place of business prior to the expiration/termination of contract with the developer/provider. The expiration/termination of contract shall be tantamount to the cancellation of the registration of CAS.

As the Service Provider:

- Shall provide the service to (Name of User) for the (indicate service to be rendered to the taxpayer) and will use the (CAS/CBA and/or its Components/Middleware/ESS) with its functional and technical features or description as shown on Annex “A-3” hereof;
- The system/software complies with the applicable requirements prescribed under existing revenue issuances;
- Shall not in any way allow the system/software to have sales/income suppression and/or other technical scheme within the system that may affect the correctness of the sales for purposes of taxation;
- The (CAS/CBA and/or its Components/Middleware/ESS) can:
 - Produce audit trails/activity logs with substantive compliance;
 - Produce standard audit file
 - Provide archive/restore procedures; and
 - Provide comprehensive systems documentation;
- The (CAS/CBA and/or its Components/Middleware/ESS) is integrated with effective security controls; *(specify security controls)*
- As developer/provider we shall provide the taxpayer-client the access to its books of accounts and other accounting records any time during business hours, except when the contract is terminated;
- The system/software database backup shall be preserved for a mandatory period of **ten (10) years** pursuant to Revenue Regulations (RR) No. 17-2013, as amended by RR No. 5-2014; and
- Authorized Revenue Officers of the BIR shall be provided with access to view and provide data/records that may be requested for purposes of authorized audit, Post-Evaluation or TCVD.

Both of Us (Taxpayer/Client and Service Provider);

- Shall be responsible to assist the BIR in the extraction of sales and other financial data from the software/system that is relevant and necessary in the conduct of the audit, Post-Evaluation or TCVD;
- Shall not make any change, upgrade or enhancement on the original system/software without prior written notification to the concerned RDO;
- Shall be presumed to have knowledge in the event that sales/income suppression shall be found in the system/software during audit, Post-Evaluation or TCVD; and

- Shall face any legal sanctions and pay corresponding penalties thereof as provided for under the National Internal Revenue Code of 1997, as amended, and other relevant issuances in case of violations thereof.

WE HEREBY DECLARE UNDER PENALTIES OF PERJURY THAT THE FOREGOING ATTESTATIONS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

_____ (Signature over Printed Name) Taxpayer/User TIN: _____	_____ (Signature over Printed Name) System/Software Developer/Provider TIN: _____
------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------

SUBSCRIBED and sworn to before me, in the City/Municipality of _____, this day of _____, 20__ by _____ and _____ with Residence Certificate Nos. _____ and _____, respectively, issued at _____ on _____, 20__ and _____, 20__.

NOTARY PUBLIC

Doc. No. _____
 Page No. _____
 Book No. _____
 Series of _____

SUMMARY OF SYSTEM DESCRIPTION, COMMERCIAL INVOICE/RECEIPTS/ DOCUMENT DESCRIPTION, FORMS/RECORDS AND REPORTS SPECIFICATION

Taxpayer's Registered Name : _____
 Registered Address : _____
 TIN and Branch Code : _____
 Registered RDO : _____

Part I: Software/System Description

Old Software/Core System (if applicable)

Software Name : _____
 Version Number : _____
 Release Number and/or Date : _____

Main (New) Software/Core System to be Used

Software Name : _____
 Version Number : _____
 Release Number and/or Date : _____
 Type of Software* : _____
 Database Platform and Version No. : _____
 Software Provider's Name : _____
 Software Provider's Address : _____
 TIN and Branch Code : _____

**Note: indicate whether the system/software is In-house developed, Imported, Off-the-shelf, Customized, etc.*

Components/Middleware/Interfacing Software/System (if applicable)

Software Name : _____
 Version Number : _____
 Release Number and/or Date : _____
 Type of Software* : _____
 Database Platform and Version No. : _____
 Software Provider's Name : _____
 Software Provider's Address : _____
 TIN and Branch Code : _____
 Linked/Not Linked to the Core System? : _____

**Note: indicate whether the system/software is In-house developed, Imported, Off-the-shelf, Customized, etc.*

Part II: List of Branches that will Use the Software/System

Branch Name	Branch Code	Registered Address	Modules to be Used

Note: Add rows, if necessary. Indicate "N/A" if no branch will use the same system.

Part III: List of Modules (per software/system)

Old Software/Core System Name and Version Number	List of Modules/Description

Note: Add rows, if necessary.

Main (New) Software/ Core System Name and Version Number	List of Modules/Description

Note: Add rows, if necessary. Indicate specific modules to be used by the Branch, if any.

Components/Middleware/Interfacing Software/System Name and Version Number	List of Modules/Description

Note: Add rows, if necessary. Indicate specific modules to be used by the Branch, if any.

Part IV: Description of Point-of-Sale (POS) to be used (if applicable)

POS Server

Machine Details	Software Details (Software Name and Version No.)	Machine Identification Number (MIN)	Permit to Use (PTU) Number	Machine Set-up**

Note: Add rows, if necessary. Indicate "N/A" if not applicable.

**Identify machine set-up – Stand-alone, Linked to Server – Global, Linked to Server – Decentralized, or Stand-alone with Server Consolidator.

Terminal Details

Machine Details (Brand/Model/Serial Number)

Note: Add rows, if necessary. Indicate "N/A" if not applicable.

Part V: List of System-generated Accountable Forms/Documents with Approved Serial Numbers and/or Manually Issued Receipts/Invoices

A. System-Generated Forms/Documents (Separate Matrix for Head Office and each of the Branches, if applicable)

Main Software/Core System

Name of Form/ Document	Prefix/ Suffix	Range of Serial Nos. (Running Digits only)		Internal/ External Document	With Printable Form? (Yes/No)	Module Used to Generate	Globally Used Series (Yes/No)	Description
		From	To					

Note: List all documents with series ranges generated in the system. Add rows, if necessary. Indicate "N/A" if not applicable.

Components/Middleware/Interfacing Software/System

(For applications with any other system/s linked/integrated with the core system being evaluated)

Name of Form/ Document	Prefix/ Suffix	Range of Serial Nos. (Running Digits only)		Internal/ External Document	With Printable Form? (Yes/No)	Module Used to Generate	Globally Used Series (Yes/No)	Description
		From	To					

Note: List all documents with series ranges generated in the system. Add rows, if necessary. Indicate "N/A" if not applicable.

B. Manually Issued Forms/Documents

Name of Form/ Document	Internal/External Document	With Authority to Print? (Yes/No)

Note: Add rows, if necessary. Indicate "N/A" if not applicable.

Part VI: List of Approved Books of Accounts, Financial Statements, BIR Forms and Other Accounting Records/Reports and Method of Record Keeping

A. Books of Accounts

Description	Method (Manual/Electronic)
1. TO BE MAINTAINED/GENERATED AT THE HEAD OFFICE	
2. TO BE MAINTAINED/GENERATED AT THE BRANCH/ES, if applicable	

Notes: (1) Add rows, if necessary. Indicate "N/A" if not applicable;

(2) State if the Books of Accounts are maintained in a Centralized or Decentralized manner; and

(3) If there are branch/es, state the Books of Accounts that will be maintained/generated in such branch/es, using the matrix above.

B. Financial Statements

Description	Method (Manual/Electronic)
1. TO BE GENERATED AT THE HEAD OFFICE	
2. TO BE GENERATED AT THE BRANCH/ES, if applicable	

Notes: (1) Add rows, if necessary. Indicate "N/A" if not applicable; and
 (2) If there are branch/es, state the Financial Statements that will be generated in such branch/es, using the matrix above.

C. Other Accounting Records/Reports

Description	Method (Manual/Electronic)
1. TO BE GENERATED AT THE HEAD OFFICE	
2. TO BE GENERATED AT THE BRANCH/ES, if applicable	

Notes: (1) List all documents and/or reports used by the company;
 (2) Add rows, if necessary. Indicate "N/A" if not applicable; and
 (3) If there are branch/es, state the accounting records/reports that will be generated in such branch/es, using the matrix above.

D. System-generated BIR Forms (if applicable)

Description***	Method (Manual/Electronic)

Note: Add rows, if necessary. Indicate "N/A" if not applicable.

*** If Withholding Tax Certificate, state if Signature is Manual, e-Signature or Digital Signature and the manner of transmission of the Certificate to the Income Recipient (manual, email, etc.)

Part VII: Server Specifications/Technical Infrastructure

Hardware Serial No.	Hardware Brand/Model	Hardware Type (server, PC, etc.)	Processor Capacity	Storage Capacity	Date Acquired	Date Installed	Location	Type of Connectivity (leased line, IPVPN, etc.)	Major Application

Note: Add rows, if necessary. Indicate "N/A" if not applicable. Align information as declared on the Technical Checklist.

Cloud-based**		Hardware/Network Maintenance (In-house or outsource)	Service & Maintenance Agreement	Maintenance Service Provider
Data Retention/ Retrieval	Preservation			

Note: Add rows, if necessary. Indicate "N/A" if not applicable. Align information as declared on the Technical Checklist.

** Specify the provider if thru Subscription

Part VIII: Backup Procedure and Disaster Recovery Plan (DRP)

Back-up Procedures

<Back-up Frequency (Daily, Weekly, Monthly, Annually), Automated/Manual, External Media used (USB, CD, DVD, HD, etc.)>

Restoration Procedures

<Restoration procedure and time frequency within which reports and accounting records can be restored for BIR Audit purposes>

Retention Period: <Time Frame>

Physical Location of Back-up Media: <Onsite - within the office vicinity, and/or Offsite - outside the office vicinity>

ANNEX "A-3"

I declare under the penalties of perjury, that the above system description together with the documents/records/reports specification and technical Infrastructure has been verified by me and to the best of my knowledge is true and correct pursuant to the provisions of the NIRC and existing BIR issuances.

(In case of Sworn Statement)

Signature over Printed Name of
Taxpayer/ Authorized
Representative TIN:

(In Case of Joint Sworn Statement)

(Signature over Printed Name)
Taxpayer/User
TIN: _____

(Signature over Printed Name)
System/Software Developer/Provider
TIN: _____

**STANDARD FUNCTIONAL AND TECHNICAL REQUIREMENTS
ON THE USE OF COMPUTERIZED ACCOUNTING SYSTEM (CAS), COMPUTERIZED BOOKS OF
ACCOUNTS (CBA) AND/OR ITS COMPONENTS, INCLUDING THE ELECTRONIC STORAGE SYSTEM
(ESS), MIDDLEWARE AND OTHER SIMILAR SYSTEMS**

Put check (✓) in the box (☐) if compliant, cross (x) if not compliant or “N/A” on the “Remarks” column if not applicable.		
DESCRIPTION	COMPLIED	REMARKS
1. The system generates receipts/invoices and the Serial Number is generated from the system. The following information must be reflected on the face of the system-generated principal and/or supplementary receipts/invoices:		<i>Specify if Sales Invoice or Official Receipt or both.</i>
a. Seller’s Registered Name;	☐	
b. Seller’s Business Name/Business Style, if any;	☐	
c. Seller’s Registered Address where the machine will be used;	☐	
d. The phrase “VAT REG TIN” or “NON-VAT REG TIN”, whichever is applicable, followed by the nine (9)-digit Taxpayer Identification Number (TIN) with five (5)-digit Branch Code of the Seller, whichever is applicable;	☐	
e. Serial Number of the receipts/invoices printed prominently with minimum of six (6) running digits (padded with zeroes or leading zeroes are shown). Define the numbering convention if applicable and indicate the number of running digits in the “Remarks” column;	☐	
f. Date of Transaction;	☐	
g. A space provided for the Customer/Buyer details, as follows:		
i. Buyer’s Registered Name;	☐	
ii. Buyer’s Registered Address;	☐	
iii. Buyer’s TIN and Branch Code;	☐	
iv. Buyer’s Business Name/Business Style, if any;	☐	
h. Quantity (for Sale of Goods);	☐	
i. Description of items sold/goods or Nature of services rendered;	☐	
j. Unit Cost/Suggested Retail or SRP (for Sale of Goods);	☐	
k. Total Cost/Amount;	☐	
l. VAT Amount (if transaction is subject to 12% VAT);	☐	
m. If taxpayer is engaged in mixed transactions, the amounts involved shall be broken down to the following:		
i. VATable Sales;	☐	
ii. VAT Amount;	☐	
iii. VAT Exempt Sales;	☐	
iv. Zero-Rated Sales;	☐	
n. The word “EXEMPT” must be prominently shown on the face of the receipts/invoices for taxpayers whose transactions are not subject to both VAT and Percentage Tax;	☐	

ANNEX “B”

Put check (✓) in the box (☐) if compliant, cross (x) if not compliant or “N/A” on the “Remarks” column if not applicable.		
DESCRIPTION	COMPLIED	REMARKS
o. For transactions related to Senior Citizen (SC), Person with Disability (PWD), the following details or information must be reflected on the system-generated receipts/invoices, if applicable:		
i. SC/PWD TIN, if any;	<input type="checkbox"/>	
ii. OSCA or SC ID No./PWD ID No.;	<input type="checkbox"/>	
iii. SC/PWD discount showing detailed breakdown of the 20% and 12% VAT Exemption, or 5% discount, whichever is applicable;	<input type="checkbox"/>	
iv. Provision/Space for the Signature of the SC/PWD;	<input type="checkbox"/>	
p. The following information must be printed at the bottom portion of the receipts/invoices:		
i. Acknowledgment Certificate and “Date Issued” (mm/dd/yyyy);	<input type="checkbox"/>	
ii. Series Range to be used;	<input type="checkbox"/>	
iii. The phrase: “THIS INVOICE/RECEIPT (<i>indicate whichever is applicable</i>) SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF ACKNOWLEDGMENT CERTIFICATE” (For <i>Principal Receipts/Invoices ONLY</i>);	<input type="checkbox"/>	
iv. The phrase: “THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAX” in bold letters conspicuously printed on all supplementary receipts/invoices or purely “EXEMPT” transactions;	<input type="checkbox"/>	
q. The word “REPRINT” must be reflected on the face of the receipts/invoices for duplicate or subsequent printouts (similar template and contents);	<input type="checkbox"/>	
2. Commercial Invoices are prepared at least in duplicate. The original shall be issued to the purchaser/customer and the duplicate shall be kept and preserved in the place of business.	<input type="checkbox"/>	
3. The system-generated Books of Accounts must reflect the mandatory fields stated on Revenue Regulations (RR) No. 9-2009, such as the but not limited to the following:		
a. General Journal:		
i. Date;	<input type="checkbox"/>	
ii. Reference;	<input type="checkbox"/>	
iii. Brief Description/Explanation;	<input type="checkbox"/>	
iv. Account Title (or Account Code if Chart of Accounts Master File is available);	<input type="checkbox"/>	
v. Debits;	<input type="checkbox"/>	
vi. Credits;	<input type="checkbox"/>	
b. General Ledger:		
i. Date;	<input type="checkbox"/>	
ii. Reference;	<input type="checkbox"/>	

ANNEX “B”

Put check (✓) in the box (☐) if compliant, cross (x) if not compliant or “N/A” on the “Remarks” column if not applicable.		
DESCRIPTION	COMPLIED	REMARKS
iii. Brief Description/Explanation;	<input type="checkbox"/>	
iv. Account Title (or Account Code if Chart of Accounts Master File is available);	<input type="checkbox"/>	
v. Debits;	<input type="checkbox"/>	
vi. Credits;	<input type="checkbox"/>	
c. Sales Journal:		
i. Date;	<input type="checkbox"/>	
ii. Customer’s TIN;	<input type="checkbox"/>	
iii. Customer’s Name (or Customer Code if Customer Master File is available);	<input type="checkbox"/>	
iv. Address (not necessary if Customer Master File is available);	<input type="checkbox"/>	
v. Description;	<input type="checkbox"/>	
vi. Reference/Document No./ Sales Invoice No.;	<input type="checkbox"/>	
vii. Amount;	<input type="checkbox"/>	
viii. Discount;	<input type="checkbox"/>	
ix. VAT Amount (Output Tax);	<input type="checkbox"/>	
x. Net Sales;	<input type="checkbox"/>	
d. Purchase Journal:		
i. Date;	<input type="checkbox"/>	
ii. Supplier’s TIN;	<input type="checkbox"/>	
iii. Supplier’s Name (or Vendor’s Code if Vendor Master File is available);	<input type="checkbox"/>	
iv. Address (not necessary if Vendor Master File is available);	<input type="checkbox"/>	
v. Description;	<input type="checkbox"/>	
vi. Reference/Document No./Sales Invoice No.;	<input type="checkbox"/>	
vii. Amount;	<input type="checkbox"/>	
viii. Discount;	<input type="checkbox"/>	
ix. VAT Amount (Input Tax);	<input type="checkbox"/>	
x. Net Purchases;	<input type="checkbox"/>	
e. Inventory Book:		
i. Date;	<input type="checkbox"/>	
ii. Product Name (or Product Code if Product Description Master File is available);	<input type="checkbox"/>	
iii. Description;	<input type="checkbox"/>	
iv. Unit;	<input type="checkbox"/>	
v. Price per Unit;	<input type="checkbox"/>	
vi. Amount.	<input type="checkbox"/>	
4. The “System” reflects the following on the printout and electronic copy of the Books of Accounts, Financial Statements and Other System-Generated Reports:	<input type="checkbox"/>	

ANNEX “B”

Put check (✓) in the box (☐) if compliant, cross (x) if not compliant or “N/A” on the “Remarks” column if not applicable.		
DESCRIPTION	COMPLIED	REMARKS
a. Taxpayer’s Registered Name;		
b. Registered Address where such reports are generated;	☐	
c. The phrase “VAT REG TIN” or “NON-VAT REG TIN”, whichever is applicable, followed by the nine (9)-digit Taxpayer Identification Number (TIN) with four (4)-digit or five (5)-digit Branch Code of the Seller;	☐	
d. Software Name and Version Number;	☐	
e. User Name/ID of the one who generated the report;	☐	
f. Date and Time Stamp when the report was generated;	☐	
5. The “System” is capable of saving Books of Accounts, Financial Statements and Other System-Generated Reports in .csv or .dat file format in compliance with RR No. 16-2006.	☐	
6. The “System” can send sales data or information to the Bureau of Internal Revenue (BIR) in relation to the issuance of system-generated receipts/invoices or e-Receipts/e-Invoices on the format mandated by BIR.	☐	
7. The “System” database backup can be preserved for a mandatory period of ten (10) years pursuant to RR No. 17-2013, as amended by RR No. 5-2014.	☐	
8. The “System” generates an audit trail or activity log showing all the transactions and other activities performed within the “System” that can be printed.	☐	
9. The system can generate the following BIR Withholding Tax Certificates:		
• BIR Form 2306 - Certificate of Final Tax Withheld At Source;	☐	
• BIR Form 2307 - Certificate of Creditable Tax Withheld At Source; and	☐	
• BIR Form 2316 - Certificate of Compensation Payment/Tax Withheld For Compensation Payment With or Without Tax Withheld.		
Specify how the system generated Withholding Tax Certificate is transmitted to the employees/payees under the “Remarks” column.	☐	
10. The complete audit trail of the system must have the following functionalities:		
a. The system controls the receipt numbering;	☐	
b. The system generates the posting date of the receipt transaction as the date it entered into the system;	☐	
c. The transaction can be voided, but not modified once posted;	☐	
d. The run date is the date the report was generated;	☐	
e. Users are prevented from editing data within system generated reports;	☐	

ANNEX “B”

Put check (✓) in the box (☐) if compliant, cross (x) if not compliant or “N/A” on the “Remarks” column if not applicable.		
DESCRIPTION	COMPLIED	REMARKS
f. The system prevents users from having the capability to override edits within computer programs;	☐	
g. Each transaction/record is stamped with the user ID of the individual that created the transaction; and	☐	
h. The “System” automatically totals and double checks/cross-checks totals of all accounts/transactions and report an out-of-balance condition or incorrect computation of transaction.	☐	
11. The System Security Framework must meet the following:		
a. There is a standard procedure and approval in securing access for users;	☐	
b. Users are restricted from being active on multiple terminals at the same time with the same user identification code;	☐	
c. User identification codes are deactivated after unsuccessful attempts to sign on the computer;	☐	
d. Password is required to be changed every thirty (30) days;	☐	
e. Users other than System Administrators and Security Administrators are prevented from accessing sensitive operating system commands;	☐	
f. Passwords required a combination of alphabetic and numeric characters;	☐	
g. Users are prevented from accessing accounting information except through authorized transactions within the system;	☐	
h. User access rights can be eliminated or revised upon termination of employment and transfer of employee responsibility;	☐	
i. Computerized audit trails are protected from modification and destruction;	☐	
j. Server Rooms and Data Centers are kept locked and access controlled with an authentication mechanism;	☐	
k. Server Rooms and Data Centers are equipped with air-conditioning;	☐	
l. Server Rooms and Data Centers are protected against power failure and fire; Specify how the Server Rooms and Data Centers are protected under the “Remarks” column.	☐	
m. Server Rooms and Data Centers cables are properly installed under the floor or into the walls and not left on the floor;	☐	
n. Unused network connection points are disabled;	☐	
o. All incoming Dial-up uses a strong password authentication system;	☐	
p. Remote accesses via Internet are encrypted;	☐	
q. Accesses to external networks are occurring over a firewall and the same are monitored and audited;	☐	

ANNEX “B”

Put check (✓) in the box (□) if compliant, cross (x) if not compliant or “N/A” on the “Remarks” column if not applicable.		
DESCRIPTION	COMPLIED	REMARKS
r. The application access is protected with an authentication mechanism; and	<input type="checkbox"/>	
s. Database record modification is logged for critical applications.	<input type="checkbox"/>	
12. For adjustment to sales/revenue, the following must be available within the system:		
a. There is a mechanism within the system that enables the adjustment to sales/revenue, such as supplementary documents generated and issued to other parties (specify the process and the document that will be used/generated under the “Remarks” column); and	<input type="checkbox"/>	
b. The supplementary documents must have a unique serial number. (Specify the numbering convention under the “Remarks” column.)	<input type="checkbox"/>	

Accomplished by:

(In case of Sworn Statement)

Name of Taxpayer-Applicant/ Representative
 (Signature over printed name)
 Date: _____

(In Case of Joint Sworn Statement)

Taxpayer/User
 (Signature over printed name)

System/Software Developer/Provider
 (Signature over printed name)

TIN: _____

TIN: _____



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Revenue District Office No. ____ - _____

A C K N O W L E D G E M E N T
C E R T I F I C A T E

CONTROL NO. : _____

DATE ISSUED : _____

TAXPAYER DETAILS

TIN : _____

NAME OF TAXPAYER : _____

REGISTERED ADDRESS : _____

SYSTEM/SOFTWARE DETAILS

TYPE OF APPLICATION : _____

TYPE OF SOFTWARE : _____

SOFTWARE NAME : _____

VERSION NUMBER : _____

RELEASE NUMBER : _____

This is to acknowledge the receipt of the complete documentary requirements submitted by the abovementioned taxpayer for the use of the aforesaid software/system effective _____, based on the provisions of Revenue Memorandum Circular No. _____ and other existing revenue issuances.

Any system enhancements / modifications and/or upgrade of the aforesaid system shall require a formal written notification to the registered Revenue District Office (RDO), together with the required documents mentioned under RMC No. _____ and comparative matrix for the changes of the current and upgraded system.

Summary of Branch(es) that will use the above declared system, if any, and System-Generated/Manually Prepared Commercial Invoice/Receipts/ Document Description, Forms/Records are hereby listed in the attached as an integral part of this Acknowledgment Certificate.

ACKNOWLEDGED BY:

(SIGNATURE OVER PRINTED NAME)

Revenue District Officer/LTAD/ELTRD/LTDO

Summary of Branch(es) and Commercial Invoice/Receipts/ Document Description of Forms/Records

Taxpayer's Registered Name : _____
Registered Address : _____
TIN and Branch Code : _____
Registered RDO : _____
ACCN No. : _____
Date Issued : _____

Part I: List of Branches that will Use the Software/System

Branch Name	Branch Code	Registered Address	Modules to be Used

Note: Add rows, if necessary. Indicate "N/A" if no branch will use the same system.

Part II: List of System-generated Accountable Forms/Documents with Approved Serial Numbers and/or Manually Issued Receipts/Invoices

A. System-Generated Forms/Documents

Head Office

Name of Form/ Document	Prefix/ Suffix	Range of Serial Nos. <i>(Running Digits only)</i>		Internal/ External Document	With Printable Form? (Yes/No)	Module Used to Generate	Globally Used Series (Yes/No)	Description
		From	To					

**Note: List all documents with series ranges generated in the system. Add rows, if necessary. Indicate "N/A" if not applicable.*

Branch(es)

Name of Form/ Document	Prefix/ Suffix	Range of Serial Nos. <i>(Running Digits only)</i>		Internal/ External Document	With Printable Form? (Yes/No)	Module Used to Generate	Globally Used Series (Yes/No)	Description
		From	To					

**Note: List all documents with series ranges generated in the system. Add rows, if necessary. Indicate "N/A" if not applicable.*

B. Manually Issued Forms/Documents

Name of Form/ Document	Internal/External Document	With Authority to Print? (Yes/No)

Note: Add rows, if necessary. Indicate "N/A" if not applicable.

(SIGNATURE OVER PRINTED NAME)
 Revenue District Officer/LTAD/ELTRD/LTDO