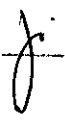


SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session

15 APR 13 P5:36

Senate  
P.S. Resolution No. 1267

RECEIVED BY: 

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Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

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**RESOLUTION**

***DIRECTING THE APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY,  
IN AID OF LEGISLATION, ON THE PROPER IMPLEMENTATION OF THE REVENUE  
REGULATIONS AND MEMORANDUM CIRCULARS ON ELECTRONIC FILING AND PAYMENT  
SYSTEM BY THE BUREAU OF INTERNAL REVENUE***

**Whereas**, it is settled in jurisprudence that the power to tax is an attribute of sovereignty and as such, inheres in the State. Tax statutes are strictly construed against the taxing authority. As such, tax laws may not be extended by implication beyond the clear import of their language, nor their operation enlarged so as to embrace matters not specifically provided;

**Whereas**, the Bureau of Internal Revenue (BIR) issued Revenue Regulation (RR) 5-2015 last 17 March 2015. Said revenue regulation amends RR No. 6-2014, which requires all non-eFPS taxpayers enumerated in Section 4 of RR 6-2014, to mandatorily use the eBIR Forms facility in electronically submitting and filing all the tax returns. Taxpayers shall receive a system-generated notification email and filing reference number, which shall be submitted to the authorized agent bank for the payment of taxes due;

**Whereas**, notwithstanding that the revenue regulation was issued less than a month before the 15 April 2015 deadline, failure to comply with RR 5-2015 shall result to a penalty of P1,000.00 per return and 25% surcharge of the tax due to be paid for filing in the wrong venue. With such short notice, the mandated taxpayers may not have ample time to adjust their systems and processes to be able to comply with the mandatory requirement to file and pay electronically;

**Whereas**, the stiff penalties imposed on those who are unable to comply with the said regulation seems to be excessive and unjustly burdensome for taxpayers. The use of "wrong venue filing" as basis for this penalty, pursuant to Section 248(A)(2) of the National Internal Revenue Code, seems unreasonable given that taxpayers who pay manually would be physically at their assigned BIR office;

**Whereas**, on 30 March 2015, BIR issued Revenue Memorandum Circular (RMC) 14-2015 which provides for the guidelines in filing, receiving and processing using the eBIR Forms and eFPS. Those who are not mandated to use eFPS/eBIR Forms and those who have not opted to file electronically shall follow the existing procedures on manual filing. Taxpayers mandated to use eBIR forms and file electronically who had already filed manually, are mandated to re-file electronically on or before 15 April 2015. Those who re-file electronically on or before 15 April 2015 shall not be subject to the penalties;

**Whereas**, on 10 April 2015, another revenue memorandum circular (RMC 18-2015) was issued by the BIR wherein "No Payment" returns filed manually shall be re-filed electronically on or before 15 June 2015. The penalties imposed under RR No. 5-2015 on filing using a mode/venue different from that prescribed shall be waived provided that the

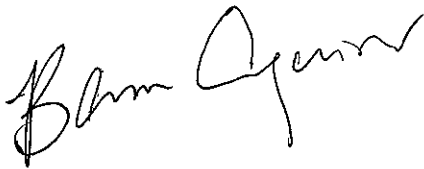
subject income tax returns have been re-submitted electronically in the BIR's systems on or before 15 June 2015.

**Whereas**, based on numerous complaints from the taxpayers, the issuance of the revenue regulations and the memorandum circular has caused confusion regarding the proper implementation of the revenue regulations and the memorandum circular. Problems also arose such as, not all mandated taxpayers are computer-literate and some taxpayers have reported encountering delays or technical issues enrolling into the BIR online system. Not only did taxpayers not have sufficient lead time to comply with the new requirements, BIR employees from the different RDOs were not familiar with the process and failed to correctly answer the queries of the taxpayers;

**Whereas**, there is confusion as to whether taxpayers may continue to use the pre-printed BIR forms, or must use returns generated by the eBIR Forms package. BIR National Officials opined that taxpayers who are not mandated to file electronically may continue to use pre-printed forms, but may also opt to use returns generated electronically. However, BIR officials at the regional and district level insist that all taxpayers must use returns generated by the eBIR Forms package. The tax bureau should be able to balance its power to tax vis-à-vis the duty of the taxpayers to properly and correctly file the tax returns and accordingly, pay the taxes due to the government;

**NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved to direct the appropriate Senate committees to conduct an inquiry, in aid of legislation, on the proper implementation of the revenue regulations and memorandum circulars on Electronic Filing and Payment System by the Bureau of Internal Revenue.

Adopted,

A handwritten signature in black ink, appearing to read "Benigno Aquino III", is written in a cursive style.