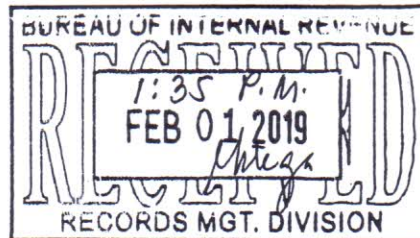




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City



January 23, 2019

REVENUE MEMORANDUM ORDER 7 - 2019

SUBJECT : BIR Operational Key Performance Indicators for CY 2019
TO : All Internal Revenue Officials and Employees

I. OBJECTIVES

In observance of the provisions of the Tax Reform Acceleration and Inclusion (TRAIN) Program; Ease of Doing Business and Efficient Government Service Delivery Act (Republic Act No. 11032); and the Data Privacy Act (Republic Act No. 10173), as well as the results of the Bureau's Strategic Planning Sessions, this order is being issued to:

1. Update the BIR Operational Key Performance Indicators (KPIs) for Revenue Regions (RRs), Revenue District Offices (RDOs), Regional Divisions (RDs), and Large Taxpayers Service (LTS); and,
2. Set forth the policies, guidelines and procedures that shall govern the monitoring, preparation and submission of Accomplishment Reports, and the preparation of Evaluation and Summary Reports on Operational KPIs.

II. POLICIES

In pursuing the aforesaid objectives, the following policies shall be observed:

1. The elements of each Operational KPI, i.e., definition of the KPI, KPI weight, formulas, KPI targets, are provided in Annex A of this order.
2. The concerned Assistant Commissioners (ACIRs), who have been identified as Measures Owners (MOs) in the column "Monitoring Office" in Annex A, shall be responsible for monitoring, reviewing and evaluating their respective Operational KPIs, to assess the performance of the concerned offices against their goals/targets under their Operational KPIs.

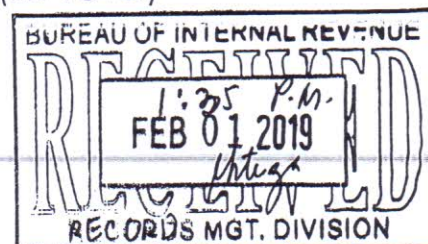
3. The Assessment Service shall be the lead monitoring office for KPI Nos. 5, 6, and 7. The following KPIs shall be monitored by concerned offices to support the lead MO in the timely submission of accurate data/information:

3.1 For KPI No. 5 – Audit Effort

- 3.1.1 For RRs/RDOs - Assessment Service (for eLAs, TVNs, DNs); and TSPMD under the Client Support Service (for TCVD)
 3.1.2 For Investigating Office under LTS - LTS

3.2 For KPI No. 7 – Audit Efficiency

- 3.2.1 For RRs/RDOs – Assessment Service
 3.2.2 For Investigating Office under LTS – LTS



4. The LTS will include the following offices as "Implementing Office" for a particular KPI:

KPI No.	KPI	Implementing Office (s)
1	Collection Performance	LT National Office Audit Div. (LTNOADs), LTD-Cebu City, LTD-Davao City, Excise LT Field Operations Div. (ELTFOD)
2	Percentage Increase in Collection	LTNOADs, LTD-Cebu City, LTD-Davao City, ELTFOD
5	Audit Effort	LTNOADs, LTD-Cebu City, LTD-Davao City, LT VAT Audit Unit (LTVATAU)
6	Increase in collection by 5% of previous year's audit collection goal	LTVATAU
7	Audit Efficiency	LTNOADs, LTD-Cebu City, LTD-Davao City, LTVATAU
8	Reduction of Tax Arrears	LTD-Cebu City, LTD-Davao City, LT Collection Enforcement Div. (LTCED)
9	Reduction of valid TAMP Stop-Filer cases	LTD-Cebu City, LTD-Davao City, LT Document Processing & Quality Assurance Div. (LTD PQAD), LTCED, Excise LT Regulatory Div. (ELTRD), LT Assistance Div. (LTAD)

5. The score for each KPI will be computed as:

$$\text{Score} = \frac{\text{Applicable KPI Formula}}{\text{Applicable KPI Target}} \times \text{KPI Weight}$$

6. The overall rating will be computed as:

$$\text{Overall Rating} = \frac{\text{Total KPI Score}}{\text{Total Applicable KPI Weights}} \times 100\%$$

7. In the event that the actual accomplishment exceeds the KPI target, the score to be given shall be the maximum assigned KPI weight.
 8. Figures to be used in all computations required in this Order shall be rounded off to the nearest two (2) decimal places.
 9. The Operational KPIs should be included as measures in the Office Performance Commitment and Review (OPCR) Form, as well as in the Office Index of Success Indicators of the RRs, RDs, RDOs, LTS, LTNOADs, LTD-Cebu City and LTD-Davao City, ELTFOD, LTVATAU, LTCED, LTDPQAD, ELTRD and LTAD in relation to the Strategic Performance Management System (SPMS).
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10. The accomplishment report and evaluation report shall be prepared every 1st semester (January to June) and annual based on the cumulative accomplishment covering January to December.
 11. Issues arising for a particular Operational KPI shall be the responsibility of the concerned MO(s).
 12. The Operational KPIs prescribed under this Order shall be adopted in the succeeding years until there shall be amendments/revisions to be recommended by the MO(s).

III. GUIDELINES AND PROCEDURES

A. The following are the guidelines and procedures in the preparation and submission of accomplishment and evaluation reports.

1. RDOs/Regional Divisions, LTNOADs/ LTD-Cebu City and LTD-Davao City/ ELTFOD/LTVATAU/LTCED/LTDPQAD/ELTRD/LTAD shall:

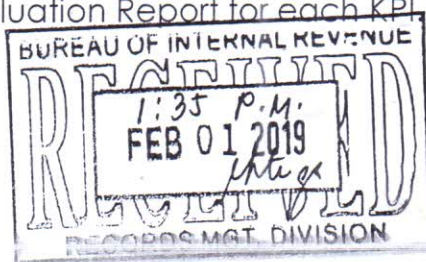
- 1.1 Prepare the semestral/annual Accomplishment Report for each applicable Operational KPI using the prescribed format; and
- 1.2 Ensure accuracy of data prior to submission of the Accomplishment Report to the Regional Director and ACIR-LTS.

2. Regional Director and ACIR-LTS shall:

- 2.1 Consolidate the Accomplishment Reports per KPI; and
- 2.2 Validate the accuracy and completeness of data prior to submission of the Accomplishment Report to concerned Measure Owner.

3. The Measure Owner shall:

- 3.1 Monitor the timely submission of Accomplishment Report by all Regional Directors and ACIR-LTS;
- 3.2 Prepare the semestral (January to June)/annual (January to December) Evaluation Report for each KPI. The Evaluation Report shall detail the:



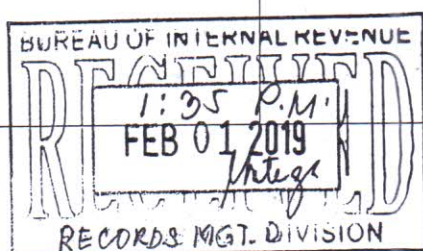
- i) Score per KPI of RRs, RDOs, RDs LTS and its implementing offices; and
- ii) Ranking of offices
- 3.3 Ensure the completeness and accuracy of the Accomplishment Report received from RRs and LTS; and
- 3.4 Submit the Evaluation Report per KPI to the ACIR-Planning and Management Service, Attention: Planning and Programming Division (PPD).

4. Planning and Management Service/PPD shall:

- 4.1 Monitor the compliance of concerned ACIR/MO relative to the submission of KPI Performance Evaluation Report;
- 4.2 Consolidate the Office KPI Performance Report per RR and LTS;
- 4.3 Prepare a Summary Report on the result of the rating of KPIs; and
- 4.4 Submit the Office KPI Performance Report to MANCOM.

B. The Accomplishment and Evaluation Reports shall be prepared and submitted in accordance with the following schedules:

REPORT	SUBMITTED BY	SUBMITTED TO	DUE DATE
Accomplishment Report per Operational KPI (Annex B)	Chiefs, Regional Division and RDOs	Regional Director concerned	Semestral Report: On or before July 25
	Chiefs, LT National Office Divisions and LTDs Cebu and Davao	Assistant Commissioner, LTS	Annual Report: On or before January 25
Consolidated Accomplishment Report on KPI (Annex C)	Regional Directors and ACIR-LTS	MO concerned (ACIRs)	Semestral Report: On or before July 30 Annual Report: On or before January 31
Evaluation Report on KPI (Annex D)	Measure Owners (ACIRs)	ACIR-PMS Attention: Chief, PPD	Semestral Report: On or before August 15 Annual Report: On or before February 15
Consolidated Evaluation Report on KPIs (Annex E)	ACIR-PMS Thru: PPD	MANCOM	Semestral Report: On or before August 30 Annual Report: On or before February 28

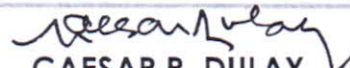


IV. REPEALING CLAUSE

This Order supersedes Revenue Memorandum Order Nos. 12-2018, 18-2018, 51-2018 and all other issuances or portions thereof inconsistent herewith.

V. EFFECTIVITY

This Order takes effect immediately until there shall be amendments/revisions recommended.


CAESAR R. DULAY ✓

Commissioner of Internal Revenue

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