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

December 11, 2018

REVENUE MEMORANDUM ORDER NO. 8-2019

Subject: **Policies and Guidelines in the Certification of Electronic Tax Return Filing and/or Payment Solutions**

To: **All Internal Revenue Officials, Employees and Others Concerned**

I. BACKGROUND

In line with the aim to provide faster, more reliable and convenient services to the taxpaying public, the BIR is continuously introducing enhancements to business processes by utilizing innovations in information technology (IT) to automate key tax services and functions. Through BIR's eServices, taxpayers can access registration services online, electronically prepare and file tax returns, and electronically pay their tax dues.

To further encourage taxpayer's compliance and keep pace with the shift of tax administration globally to digital tax services, the BIR recognizes innovations being introduced by private Tax Software Providers (TSPs) as mentioned in RMO No. 24-2013 in automating the tax return preparation, filing and payment of tax due thereon. The solutions, however, require certification from the BIR to ensure that the output of automated tax return filing and payment can be submitted to and processed by the BIR's database. BIR is issuing this Order to outline the policies and guidelines in certifying through the Electronic Tax Software Provider Certification System (eTSPCert System) the tax return filing, and/or payment solutions developed by third party commercial providers.

II. OBJECTIVES

This Order is issued to:

1. Establish policies, guidelines, and procedures for the certification of electronic tax return filing and/or payment solutions;

2. Define the duties and responsibilities of concerned BIR offices and officials relative to the certification of electronic tax return filing and/or payment solutions; and

3. Provide taxpayers with additional options for electronic tax return preparation, filing and/or payment of the tax due thereon.

III. COVERAGE

1. The policies, guidelines, and procedures prescribed herein shall be applicable to TSPs who develop electronic tax return filing, and/or payment solution for their own clients, for sale as an off-the-shelf solution, or for subscription.

2. TSPs may submit their solutions for testing and certification as an: (1) e-filing; (2) e-payment; and (3) combination of e-filing and e-payment solution.

IV. DEFINITION OF TERMS

1. **Authorized Agent Banks (AABs) –** financial institutions that are accredited to collect the payment of internal revenue taxes on BIR's behalf;

2. **Accredited Tax Agent (ATA) –**accredited tax practitioners who are engaged in tax practice and who are required to apply for accreditation prior to performance of services to their client-taxpayers. Their services include but are not limited to preparation, certification, audit and filing of tax returns, information returns or other statements required by the Tax Code or Regulations;

3. **Certified Tax Filing, and/or Payment Solution (CTFPS) –**solution/software that has passed the BIR certification process and which allows taxpayers and ATAs to conveniently file tax returns and/or pay tax due thereon electronically;

4. **eCert ID –**is a unique alphanumeric identification number that will be assigned to the TSP after the approval of each application. This will be the unique identifier for all future filings and submissions using the certified solution;

5. **Electronic Filing –** is the process of preparing and submitting duly accomplished tax returns through the Online eBIRForms System, Electronic Filing and Payments System (eFPS), and certified tax return preparation and filing solutions;

6. **Electronic Payment –** payment for goods and services using electronic payment instruments (credit cards, ATM/debit cards, mobile money) through electronic payment channels (internet, point of sales machines, and automated teller machines);

7. **Extensible Markup Language (XML) –** a type of data format used for representation and transfer of structured data on the web or between different applications;

8. **File Structure –** pertains to a list of data fields per BIR form and payment report.

9. **Secured File Transfer Protocol (SFTP) –** a network protocol which facilitates data access and transfer over a secure data stream. It requires that the client-user be authenticated by the server and that the data transfer must take place over a secure channel.

10. **Service Level Agreement (SLA) -** a contract between two contracting parties (usually a service provider and a user) specifying the level of service – availability, quality, and timeliness of service delivery - expected.

11. **Tax Software Provider (TSP) –** an individual or organization whose business is to render electronic tax filing services to taxpayer-clients by offering third-party solutions, that is, an electronic tax return filing and/ or payment solution that will generate the tax returns required and specified by the BIR;

12. **TSP Tool** - a standalone application that will handle the loading, validation, preparing, encrypting, compressing and submitting of the xml file.

V. POLICIES AND GUIDELINES

1. The Bureau shall certify the Tax Filing and/or Payment Solution (TFPS) of the TSP provided it has passed the evaluation and testing prescribed in the procedures in Section VI, hereof.

2. An individual or non-individual TSP is eligible to apply for testing and certification of their tax return filing/payment solution provided said TSP is registered with the BIR.

3. The TSP who applies for certification of the TFPS shall enroll in the eTSPCert System and the applied TFPS shall undergo evaluation, testing and certification. Each approved application shall be given a corresponding eCert ID and Certificate. The eTSPCert System can be accessed at the BIR website *(www.bir.gov.ph).*

4. The TSP who shall apply for certification of their tax return filing/payment solution shall partner with any of the Authorized Agent Banks (AABs) and shall accept the terms and conditions of the Terms of Service Agreement (TOSA) set forth by the Bureau.

5. AABs shall apply for certification of their ePayment System for the BIR in the eTSPCert System.

6. Non-Individual TSPs are allowed to assign three (3) authorized representatives in the application for testing and certification of their tax return filing/payment solution. However, Individual TSPs are not allowed to assign authorized representative.

7. BIR Forms listed in *Annex A* are initially available for tax return filing solution certification. Such list, however, may be expanded to cover additional forms. TSP may select the tax forms they need to service their clients.

8. The Bureau shall issue certification for each approved BIR form application, provided that the output of the tax return filing and/or payment solution has passed the testing prescribed in the test procedures in Section VI, No. 3 hereof.

   The file structures of the tax returns and payment form required by BIR shall be adopted by the TSP in the submission of the return in XML format / payment in .CSV files.

9. Certification for e-filing (*Annex B-1*) shall be issued per BIR form applied for. Certification for e-payments (*Annex B-2*) shall be issued only once and covers all tax forms and types. TSPs applying for e-filing integrated with e-payments need to complete certification for e-filing before proceeding to e-payments testing and certification.

10. TSP shall ensure that their TFPS will generate correct tax/payment information. However, the accuracy and truthfulness of the input data shall be the responsibility of the concerned taxpayer-client.

11. Non-AAB TSPs applying for ePayment or eFiling and ePayment Solution shall partner with an AAB with ePayment facility.

    Nominated partner AABs of a non-AAB TSP applying for ePayment integration that do not have certified BIR ePayment facility shall apply for ePayment solution certification thru the eTSPCert System.

12. Certified TFPS may be used by ATAs to file tax returns for their clients.

13. TSPs with Certified TFPS must ensure compliance with provisions of ***Republic Act No. 10173***, otherwise known as '***Data Privacy Act of 2012'*** in handling taxpayer information. They are responsible for ensuring the protection, privacy and confidentiality of taxpayer data. Due to the sensitivity of information being transmitted, TSPs must implement an efficient security policy which will identify, authorize and track users of the system.

14. TSP shall be held responsible for any breach in their system, or any violations committed by their users, whether authorized or unauthorized.

15. AABs shall remain the BIR collection agent, and as such, TSPs with certified tax filing solution can enter agreements for technical integration with internet banking collection or internet payment gateways of AABs.

16. TSPs shall notify the BIR Collection Service, copy furnished Information Systems Group in writing for modifications or upgrades of their certified TFPS. Notifications shall be made within thirty (30) calendar days from implementation of upgrade or modification.

17. The BIR shall announce via the BIR official website (*www.bir.gov.ph*) the issuance of new versions of eBIRForms. The TSP tools and XML files for the new versions of the format shall be available for download within sixty (60) days from posting of the announcement, TSPs shall apply for re-testing and certification.

18. The certification shall be revoked by the BIR upon the occurrence of any of the following:

    a. Any misrepresentation committed in any of the submitted documents or information provided in the enrollment and application form; or
    b. Continuing or repeated non-compliance, willful violation, or non-performance of terms and conditions outlined in the terms of service agreement for the use of the system; or
    c. Connivance with taxpayers to under-declare taxes due and payment; or
    d. Non-application for re-testing within the prescribed period of 60 days from the date of publication of the announcement informing the public of new versions of eBIRForms; or
    e. Failure to inform BIR of any enhancement in the certified TFPS

19. TSPs are required to submit a list of their taxpayer clients (both VAT and non-VAT). VAT-registered TSP shall follow the existing issuance on the submission of summary list of sales (SLS) as prescribed by RR8-2002 and amended by RR1-2013.

VI. PROCEDURES

1. ENROLLMENT

1.1. TSPs shall access the eTSPCert System in the BIR website at www.bir.gov.ph for enrollment.

1.2. TSPs shall fill up all the required fields in the enrollment form window and comply with all the instructions.

1.3. Authorized representatives of corporations and/or partnerships shall use the official business e-mail address of the corporation/business while sole proprietors may use the official business e-mail address or personal e-mail address.

1.4. The eTSPCert System shall validate the TSP registration data from the BIR Registration database. Upon successful validation, the eTSPCert System generates a temporary password and sends the password to the TSP's nominated e-mail address.

1.5. TSPs shall change the temporary password generated by the eTSPCert System upon receipt of the e-mail notification.

2. APPLICATION FOR CERTIFICATION

2.1 The TSP shall:

i. Log in to the eTSPCert System and clicks on the "*New Application Form*" button.

ii. Select the application type (1) e-filing (2) e-payment or (3) e-filing and e-payment. Non-AAB TSPs who will integrate their e-filing solutions with e-payment services can partner with AABs authorized by BIR to accept e-payments. AABs not yet authorized by BIR to accept on-line payment shall file separate applications for e-payment

iii. Select the BIR forms from the list of values that they will submit for testing and certification for e-filing solution.

iv. Fill up all the required information fields; attach and submit all required documents as follows:

For TSPs classified as Individual taxpayers and applying for tax return filing/payment solution:

- Sworn Application for the Certification of Electronic Tax Return Filing and/or Payment Solutions (*Annex D*)
- Non Disclosure Agreement (Annex E)

For TSPs classified as Non-individual taxpayers and applying for tax return filing/payment solution certification:

- Sworn Application for the Certification of Electronic Tax Return Filing and/or Payment Solution
- Board Resolution authorizing any three (3) officers designated to file the application
- Non-Disclosure Agreement

2.2 The Evaluator from Collection Programs Division - Collection Service (CS) shall:

i. Access the eTSPCert System;

ii. Review and evaluate the completeness and validity of submitted documents, upon receipt of e-mail notification from eTSPCert System of application received from TSP;
iii. Assess the TSP compliance in eFiling and ePayment of all taxes applicable to his line of business covering the latest taxable year; and
iv. Accept the application of TSP if passed/complied to all functional requirements.

2.3 Each submitted application shall be given a corresponding Application Number which will be generated by eTSPCert System.

3. TESTING AND CERTIFICATION

3.1 The TSP shall:

i. Log-in to the eTSPCert System, upon receipt of email notification of accepted application.

ii. Proceed with the testing using the downloaded TSP Tool to process the XML File.

iii. The TSP Tool shall handle the loading, validation, preparing, encrypting, compressing and submitting of the XMLfile. This will be a standalone application that will be available for download after the approval of TSP application;

iv. The testing shall only be limited to the correctness of format and structure of the file to be transmitted to BIR. TSPs are given ninety (90) days to complete the testing.

v. TSPs/AAB shall submit the Collection File Structure through SFTP. The SFTP log in credentials shall be given upon approval of TSP application.

vi. Receive an email confirmation from BIR on the result of the testing. An electronic copy of the Certificate shall be issued to the TSP user after the test file/s has passed the validation and testing.

3.2 The Technical Evaluator from Taxpayer Service Systems Division – Information Systems Project Management Service (ISPMS) shall

i. Send the SFTP log in credentials to the TSP upon approval of TSP application;

ii. Conduct evaluation and testing based on the submitted XML and/or Collection File Structure of TSP Solution;

iii. Inform the Assistant Commissioners of CS and ISPMS on the result of evaluation and testing

3.3 TSP shall receive an email notification on the result of the testing. A system generated Certification shall be attached to the email notification after the test file/s has passed the validation and testing.

4. REPEALING CLAUSE

All revenue issuances or portions thereof which are inconsistent herewith are hereby repealed, modified, or amended accordingly.

5. EFFECTIVITY

This order shall take effect immediately.

(Original Signed)
CAESAR R. DULAY
Commissioner of Internal Revenue