

**[BIR REVENUE REGULATIONS NO. 11-2008,
August 15, 2008]**

**CONSOLIDATED REVENUE REGULATIONS ON PRIMARY
REGISTRATION, ITS UPDATES, AND CANCELLATION**

SECTION 1. SCOPE. Pursuant to Section 244 of the 1997 National Internal Revenue Code (Code), as amended, in relation to Chapter II of Title IX specifically Section 236 of the same Code, these Regulations are hereby promulgated in order to consolidate and update all existing revenue regulations relative to primary registration, particularly on the following:

- a) Registration, updates and cancellation procedures;
- b) Documentary requirements;
- c) Registration forms;
- d) Annual Registration fee;
- e) Certification fee; and
- f) Penalties for registration-related violations.

SEC. 2. DEFINITION OF TERMS. For purposes of these Regulations, the following words and/or phrases shall be defined as follows:

- A) "PRIMARY REGISTRATION" shall mean the process by which a person, whether an individual, including estates and trusts, or a corporation and other juridical entities, upon application and full compliance with the registration requirements prescribed in these Regulations, is registered with and consequently included in the registration H database of the Bureau of Internal Revenue (BIR).

Primary registration may involve one or two stages depending on the purpose of the taxpayer applying for registration.

The initial stage in the primary registration process involves the application and the issuance of the Taxpayer Identification Number (TIN). All persons who are subject to internal revenue tax or required to render a return, statement, or other document as required by the provisions of the Code, as amended; or who have been mandated by other laws to secure TIN for the execution of certain documents must undergo this stage.

The second stage is the subsequent registration of the employment, business, profession and/or undertaking which the person, natural or juridical, intends to pursue on account of which he/it is expected to regularly file tax returns, pay taxes and fees prescribed for by the Code, as amended.

- B) "UPDATES" shall mean the process by which the information supplied

during the primary registration process are changed either upon taxpayer's or BIR's initiative.

- C) "CANCELLATION" shall mean the process by which the information pertaining to primary registration of a taxpayer is tagged as "cancelled" but nevertheless remains as part of the BIR's registration database;
- D) "TAXPAYER IDENTIFICATION NUMBER" (TIN) shall pertain to the reference index number issued and assigned by the BIR to each and every person registered in its database. In all of the business and/or personal transactions of the registered person whether these be with government offices or otherwise, this reference index number is required to be indicated.

The TIN comprises of a 9 to 13 digit numeric code where the first 9 digits is the TIN proper and the last 4 digits is the branch code {in case of business entities).

- E) "COMMENCEMENT OF BUSINESS" in the case of pursuit of business or practice of profession, shall be reckoned from the day when the first sale transaction occurred or within thirty (30) days from the day Mayor's Permit/Professional Tax Receipt (PTR) is issued, whichever comes earlier, by the particular Local Government Unit (LGU) where the taxpayer is intending to hold its business transactions.
- F) "HEAD OFFICE (HO)" refers to the declared specific or identifiable principal place/ head office of business as stated in the Articles of Incorporation/Articles of Partnership/ Department of Trade and Industry Certificate of Registration, as the case may be, or, In the absence thereof, the place where the complete books of accounts are kept. It is one which occupies a fixed place of business, whether rented or owned, regardless of Whether or not the product/services being sold are actually located or displayed thereat. of persons who conduct business in a nomadic or roving manner, such as peddlers, Mobile stores operators, etc., their place of residence shall be considered as the head office.
- G) "BRANCH" means a separate or distinct establishment or place of business where sales transactions are conducted independently from the head office, which branch like the HO, needs to be registered in the Revenue District Office (RDO) having jurisdiction over its physical location and is subject to the payment of Registration FP (RF). For purposes of these regulations, branch shall include the following:
 - 1) Sales outlet or establishment covered by one business/trade name situated in one location or building;
 - 2) Every line of business of an individual covered by a separate business name approved by DTI even though situated in one and the same location;
 - 3) Facility with administrative office;
 - 4) Each franchise/Certificate of Public Convenience (CPC) which the transportation operator owns or operates, regardless of the number

of units under each franchise/ CPC;

- 5) Real properties for lease with administrative office;
- 6) Each "exit/entry" gate, regardless of the number of booths accepting toll fees thereat;
- 7) Unmanned sales outlets/service equipments such as automated vending machines (AVMs), automated ticket dispensing machines, automated teller machines (ATMs), and the like;
- 8) Mobile store/stall/booth/kiosk which do not maintain a fixed place of business;
- 9) Other separate or distinct establishments which conduct sales transactions independent of the HO.

In consonance with the above enumerations, it is to be clarified that different lines of business engaged in by a person located in a single place shall not be considered a branch if they are under one single "business name". Moreover, temporary makeshift stalls/booths/kiosks/AVIVts/ATMs, set up by .business establishments which are already registered with the BIR, for the mere purpose of participating in trade exhibit to showcase their products for a limited period of less than one month shall not be considered as a branch, but will be required to secure a permit from the RDO having jurisdiction over the place where it shall be conducted.

It should be noted however that before a person can register a branch or facility, it should have registered first its Head Office. Moreover, branch and facility situated abroad of a domestic corporation or resident citizen shall be registered with the RDO having jurisdiction over the HO.

- (H) "SEPARATE OR DISTINCT ESTABLISHMENT" shall refer to an establishment where business transactions occur at a place other than where the head office is located. Nevertheless, the same shall likewise refer to any of the various lines of business pursued by a taxpayer which are operated and conducted at the same address and are individually covered with business trade names secured from the Department of Trade and Industry (DTI) notwithstanding the fact that such undertakings are owned by . one and the same person and/or individual.

In such a case, said "separate or distinct establishment" shall be treated as a brand¹ as defined in item (G) above whereby RF of P500 shall be imposed.

Example Ms. G is engaged in various lines of business under the following business trade names which are all located at Rm. 501 M. Building, M. dela Fuente Street, Manila:

	TIN
(1) GV Internet Cafe	135-536-536-0000
(2) LSMComputerSupplies .	135-536-536-0001
(3) RV Bookkeeping Services	135-536-536-0002

All of the above businesses have secured DTI-approved business trade names. The first business registered by Ms. G was the GV Internet Cafe for which she was issued TIN 135-536-536-0000. In this case, said Internet Cafe shall be considered as the head office while the three subsequent registered businesses shall be considered as the branches which shall be assigned each with 4-digit extension branch code as illustrated above.

In the above example, each of the said businesses owned by Ms. G shall be imposed with RF of P500,

If Ms. G decides to put up another Internet Cafe in Quezon City, such internet cafe shall be considered as another branch and therefore, shall be assigned a branch code of "0004" and be required to pay another RF.

The above illustration shall also apply to an individual who earns income from the simultaneous practice of different professions/undertakings. However, if the said various professions/undertakings pursued by one and the same individual are of such a type that will not require the registration of DTI-approved business trade name, and conducted in the same business place or location, only one registration may be required to cover all the pursuits, otherwise, each of the professions/undertakings shall be treated as a separate or distinct establishment.

- (I) "FACILITY" - may include but not limited to place of production, warehouse, storage place, garage, bus terminal, or real property for lease, which is required to be registered as a facility in a revenue district office having jurisdiction over its physical location. Facility registration is not subject to payment of Registration Fee.
- (J) "ADMINISTRATIVE OFFICE" shall refer to an office where records of sales and /or cash collections are kept which may form part of the head office or branch. When located in the facility, the latter becomes a branch for purposes of these regulations and therefore subject to annual registration fee. In the case of real properties for lease, garages, or bus terminals and other similar establishments, this refers to the particular space or office set up in the area which does not only facilitate the expediency of operations conducted thereat, including the maintenance and upkeep of the premises, but which, in certain instances, also functions as the cashier to which all revenues generated thereat are remitted on periodic basis or also maintains records of transactions on a limited scale.
- (K) "MIXED INCOME EARNER" shall refer to a compensation-earner, who at the same time is engaged in business or practice of profession.
- (L) "MARGINAL INCOME EARNER" shall refer to those individuals whose business do not realize gross sales or receipts exceeding P100,000 in any 12-month period.

SEC. 3. INITIAL STAGE OF PRIMARY REGISTRATION: APPLICATION AND ISSUANCE

OF TAXPAYER IDENTIFICATION NUMBER (TIN).

(A) General Rules in the Application and Issuance of TIN. -

- (1) This reference index number, once assigned to a particular taxpayer, is non-transferable'
- (2) In case of natural persons, the TIN, once assigned, stays with the taxpayer permanently regardless of the cessation and cancellation of business registration with the BIR, Nevertheless, for juridical persons, the TIN is cancelled at the time of the dissolution, merger or consolidation resulting to termination of their corporate existence through the eventual cancellation of their registration with the BIR;
- (3) Only one TIN shall be assigned to the taxpayer. Once assigned with a TIN, a taxpayer is precluded from applying for another TIN. Multiple TIN acquisition shall be subject to the penalty prescribed under Section 20 of these regulations;
- (4) A TIN for the estate of a deceased person under judicial settlement and/or a trust under an irrevocable trust agreement shall be secured separate from the TIN of the deceased person and/or trustee;
- (5) Except for banks with both Regular Banking Unit (RBU) and with Foreign Currency Deposit Unit (FCDU) that are assigned with different TINs, there should never be an instance when a taxpayer can be a holder of multiple TINs;
- (6) Neither should there be an instance where two or several taxpayers are holders of just one identical TIN;
- (7) Once a TIN is assigned to the person, the BIR shall likewise issue such person a TIN card at the very same time the TIN is supplied to the taxpayer. However, this policy shall not apply if the TIN is secured on a venue other than the revenue district offices;
- (8) issuance of TIN card for the first time shall be free of charge, but subject to the provisions of Section 3 (D) of these regulations;
- (9) Minors who are earning and who are under the circumstances prescribed under Executive Order No. 98 shall be supplied with TIN.
- (10) Upon submission of Notice of Death and the Death Certificate of the decedent, the BIR shall immediately tag as "cancelled" the TIN of the said decedent and proceed with the processing and issuance of the TIN of the estate. The new TIN shall be used in the filing of the estate tax return of the decedent, as well as in the filing of other tax returns if the estate is under judicial settlement. In case the decedent is engaged in business, the TIN of decedent shall only be cancelled upon submission of notice of death and short-term income tax return covering the period January 1 to the date of his death. The said return shall be filed within sixty (60) days from the date of death, unless the heirs/authorized representative/administrator/executor shall request for extension to file