

**[BIR REVENUE MEMORANDUM ORDER NO. 61-97,
December 31, 1997]**

**INTENSIFYING COLLECTION/SETTLEMENT OF DELINQUENT
ACCOUNTS**

**I
PURPOSE**

The purpose of this Order is to accelerate the collection of taxes through compromise pursuant to Section 204, NIRC, as amended by RA No. 7646.

**II
OBJECTIVES**

This Order is issued to give the opportunity to taxpayers with outstanding receivable accounts with the Bureau to settle their tax liabilities and reduce if not eliminate the large inventory of delinquent accounts of every Revenue District Offices.

**III
POLICIES**

1. The Revenue Regional Approval Committee (RRAC), with the Regional Director as its Chairman, created under Revenue Memorandum Order No. 45-93 dated September 29, 1993 is hereby authorized to settle/compromise delinquent accounts covering the period from 1996 and prior years, the basic taxes of which do not exceed FIVE HUNDRED THOUSAND PESOS (P500,000.00), provided that the collection in each case shall not be lower than the following prescribed minimum percentages:

- Jeopardy assessments — 10% of the basic tax
- Non-jeopardy assessments — 50% of the basic tax
- Tax due per Return — 100% of the basic tax
- Second Installment of Income Tax — 100% of the basic tax

2. The same minimum percentages shall apply to delinquent account cases with basic taxes exceeding FIVE HUNDRED THOUSAND PESOS (P500,000.00). However, dockets of the subject cases shall be forwarded to the Revenue National Approval Committee (RNAC), headed by the Commissioner, also created under the aforecited RMO No. 45-93, for final approval.

3. Final assessments issued against Large Taxpayers as defined under Section 4 of the NIRC Code shall not be compromised for less than fifty percent (50%). Any such compromise involving said taxpayers lower than fifty percent (50%) shall be subject to the approval of the Secretary of Finance.

4. Cases with WDL shall be included in the compromise settlement.