

[BIR REVENUE REGULATIONS NO. 15-99, July 16, 1999]

CREATING THE REVENUE REGIONAL ACCREDITATION BOARD (RRAB) IN EACH REVENUE REGION AND THE REVENUE NATIONAL ACCREDITATION BOARD (RNAB) IN THE NATIONAL OFFICE, DEFINING THEIR FUNCTION AND COMPOSITION, AND PROVIDING FOR THE RULES FOR THE ACCREDITATION, CONDUCT AND SUSPENSION OF TAX PRACTITIONERS BEFORE THE BUREAU OF INTERNAL REVENUE.

SECTION 1. Policy. — The practice of taxation before the Bureau of Internal Revenue is a specialized profession which has been left unregulated to date insofar as the BIR is concerned. Pursuant to Section 6(G) of the Tax Code of 1997, the Commissioner of Internal Revenue shall now accredit and register, based on their professional competence, integrity and moral fitness, all individuals, general professional partnerships and their representatives, who regularly prepare and file tax returns, statements, reports, protests, requests for rulings, and other papers with, or who regularly appear before the Bureau of Internal Revenue in behalf of taxpayers for a consideration. The rule of regularity and the acceptance of an engagement for a valuable consideration in representation of taxpayers presuppose that one is engaging in tax practice before the BIR as a profession and should be subject to the accreditation proceedings as prescribed under these Regulations.

SECTION 2. Objective. — It is the aim of these Regulations to accord official recognition to tax practitioners who possess the desired degree of competence and professionalism and who demonstrate adherence to acceptable norms of morality and good conduct in the exercise of their profession before the BIR. Conversely, both the taxpayers and the government will now be afforded an administrative mechanism for the withdrawal of such recognition for those tax practitioners who have been proven to be grossly incompetent or is guilty of gross misconduct to the detriment of their client and/or the government.

SECTION 3. Purposes. — Pursuant to Section 244 of the Tax Code of 1997, in relation to Section 6 (G) of the same Code, these Regulations are hereby promulgated for the following purposes:

- A. To prescribe the creation of the Revenue National Accreditation Board in the National Office and the Revenue Regional Accreditation Board in each Revenue Region;
- B. To define the functions and memberships of said Boards;
- C. To specify the guidelines and procedures to be observed in the accreditation and suspension of tax practitioners recognized to practice before the Bureau of Internal Revenue; and

D. To provide for the duties, restrictions and norms of conduct relating to such practice.

SECTION 4. Creation of the Accreditation Boards; Composition. — There is established in the Bureau of Internal Revenue the following accreditation boards:

A. The Revenue National Accreditation Board (RNAB) in the National Office to be composed of the following:

Chairman : One of the four (4) Deputy Commissioners to be assigned by the Commissioner of Internal Revenue

Members : One (1) representative from the private sector to be chosen by the Commissioner of Internal Revenue from the nominees to be submitted by the Philippine Chamber of Commerce and Industry (PCCI), or by the Philippine Institute of Certified Public Accountants (PICPA), or by the Tax Management Association of the Philippines (TMAP); and

Three (3) senior internal revenue officials in the National Office with the rank of Assistant Commissioner to be designated by the Commissioner.

B. The Revenue Regional Accreditation Board (RRAB) in each Revenue Region to be composed of the following:

Chairman : Regional Director

Members : One (1) representative from the private sector to be chosen by the Commissioner of Internal Revenue from the nominees to be submitted by the local PICPA chapter; and

Three (3) senior internal revenue officials in the Regional Office with the rank of Assistant Division Chief or higher to be designated by the Commissioner.

C. Term of office of the Chairman and Members of the RRAB and RNAB. — The Chairman and members of either Board shall serve for a maximum term of three (3) years from the date of their nomination. Thereafter, the Commissioner of Internal Revenue shall reconstitute the same through a Revenue Special Order for that purpose with the end view that no chairman or member of either Board shall serve therein for a term in excess of three consecutive years. Provided, however, that any vacancy occurring prior to the end of said term shall be filled up by any qualified senior officer as may be assigned by the Commissioner.

SECTION 5. Powers and Functions of the Accreditation Boards. — It shall be the duty of the Accreditation Boards to act upon all applications to practice before the Bureau of Internal Revenue, to institute and provide for the conduct of accreditation, suspension or dis-accreditation proceedings and to perform such other duties as are necessary or appropriate to carry out their functions as prescribed by the Secretary of Finance. Provided, however, that any action or decision of the Revenue Regional Accreditation Board (RRAB) shall only become final upon affirmation by the Revenue National Accreditation Board (RNAB) and/or by the Commissioner.

SECTION 6. Jurisdiction. — The RRAB or RNAB shall have jurisdiction over the following persons:

A. Tax Agents or Tax Practitioners. — Those who are engaged in the regular preparation, certification, audit and filing of tax returns, information returns or other statements or reports required by the Code or Regulations; those who are engaged in the regular preparation of requests for ruling, petitions for reinvestigation, protests, requests for refund or tax credit certificates, compromise settlement and/or abatement of tax liabilities and other official papers and correspondence with the Bureau of Internal Revenue, and other similar or related activities; or those who regularly appear in meetings, conferences, and hearings before any office of the Bureau of Internal Revenue officially on behalf of a taxpayer or client in all matters relating to a client's rights, privileges, or liabilities under laws or regulations administered by the Bureau of Internal Revenue, shall be deemed to be engaged in tax practice and are required to apply for accreditation.

Provided, however, that the act of appearing before any office of the BIR shall pertain to all official dealings or transactions which require discussions, explanations and regular business intercourse on behalf of a taxpayer but shall not cover mere acts of physical filing or following up the status of any document, ruling or decision or any paper filed or pending with any office of the BIR.

The accreditation requirements shall specifically apply to the following:

- a) Individual tax practitioners engaged in private practice who are Certified Public Accountants (CPA); CPA-Lawyers who issue/sign auditor's certificate or otherwise perform functions exclusively pertaining to a CPA; and individuals other than CPAs who meet the qualifications prescribed in these Regulations;
- b) Partners of a General Professional Partnership engaged in the practice of taxation, accountancy, and/or auditing; their duly authorized officers or representatives who regularly appear or otherwise engage in tax practice before the BIR; and
- c) Officers or duly authorized representatives of incorporated business entities engaged in accounting, auditing or tax consultancy services.

B. Exceptions. — Allowed to appear and practice before the BIR without undergoing accreditation proceedings are the following:

- a) Individual-taxpayers acting on their own behalf provided they present satisfactory identification;
- b) Members of the Philippine Bar not suffering from suspension/disbarment. However, they may at their option, apply for accreditation;
- c) Other individuals presenting satisfactory proof of identification or authority in any one of the following circumstances of limited practice or special appearances:

- (i) An individual representing a member of his or her immediate family;
- (ii) A regular full-time employee representing an individual employer;
- (iii) A bona fide officer or a regular full-time employee in representation of his employer-corporation, association or organized group;
- (iv) A trustee, receiver, guardian, administrator, executor or regular full-time employee in representation of a trust, receivership, guardianship or estate;
- (v) An officer or a regular employee of a government unit, agency, or instrumentality representing said unit, agency or instrumentality in the course of his or her official duties.

SECTION 7. Minimum Qualifications of Applicants. — In general, the grant of accreditation shall be based on the applicant's professional competence, integrity and moral fitness. Along these lines, the following minimum qualifications are hereby prescribed:

A. For Individual Tax Agents (other than a member of the Philippine Bar):

1. He must be a Certified Public Accountant (CPA) with current professional license from the Professional Regulations Commission;
2. If he is not a Certified Public Accountant, he must have obtained at least a degree in Law, Juris Doctor (JD) or its equivalent, or a Bachelor's degree in Arts, Commerce, or Business Administration with at least eighteen (18) units in accounting and/or taxation in a college or university recognized by the Department of Education, Culture and Sports (DECS) or in a foreign school of known repute or one duly recognized by its government. If he does not meet these stated standards, he must be able to demonstrate or present convincing proof of special competence in tax matters or tax practice, e.g., previously acquired experience; special training, seminars, short-term courses, etc., subject to evaluation and approval by the Board;
3. He must be of good moral character as certified to under oath by at least two (2) disinterested persons who are either members of the Philippine Bar or Certified Public Accountants in good standing;
4. He must not have been charged with and convicted by final judgment of a crime involving moral turpitude, or found guilty of any act or omission penalized under the Tax Code, or found guilty of aiding or abetting or causing the commission of any such offense by another; and
5. He must be a citizen of the Philippines.

B. For General Professional Partnerships engaged in the exercise of professional accountancy, auditing or tax consultancy services (other than general professional partnerships engaged in the practice of law), the application for accreditation filed

by the partners and/or the duly authorized officers and representatives thereof shall conform with the following:

1. The partners and duly authorized officers or representatives thereof must meet all the qualifications of an individual tax agent as prescribed in item 5(A) hereof. In lieu of the submission of documents or proof thereof, said qualifications may be certified to under oath by the managing partner of the firm; and

2. The partnership is one registered with the Securities and Exchange Commission.
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C. In the case of incorporated entities engaged in accounting and tax consultancy other than general professional partnerships:

1. The firm must be registered with the Securities & Exchange Commission; and

2. The applicant-officers or duly authorized representatives thereof must meet all the qualifications of an individual as prescribed under Section 4(A) hereof.

SECTION 8. Accreditation Procedures. —

A. *Where to File.* — All applicants shall accomplish their application for accreditation in the form to be prescribed by the Commissioner of Internal Revenue.

The duly-accomplished application form shall be submitted, together with all documentary requirements prescribed in Item (B) of this Section, with the RRAB of the place where the individual applicant or general professional partnership has his/its residence or principal place of business.

B. *Documentary Requirements.* — Applicants shall submit, together with their duly accomplished application forms, the following documents:

1. For Individual Applicants:

a. Certificate of registration and current license with the Professional Regulation Commission, if a CPA;

b. Certificate of membership with PICPA or ACCPA, if a CPA;

c. Certificate of Good Moral Character issued by two (2) disinterested persons, who are either member of the Bar or Certified Public Accountant in good standing; and

d. If non-CPA, certified copy of transcript of records from the university or college showing compliance with the required units in accounting or taxation as prescribed in Section 5(A)(2) hereof; or in lieu thereof, proof of special competence in tax matters or tax practice, e.g., previously acquired experience; special training, seminars, etc., for the appreciation and approval by the concerned Board.

2. For Partners, Directors, Officers or duly authorized representatives of General Professional Partnerships and incorporated entities engaged in accounting and tax