

**[ BIR REVENUE MEMORANDUM CIRCULAR NO. 39-97, October 02, 1997 ]**

**CLARIFICATION OF INVOICING REQUIREMENTS**

For the information and guidance of all revenue officials, employees and others concerned, invoicing requirements pursuant to Section 238 and Section 108 of the National Internal Revenue as implemented by pertinent regulations are hereby clarified. Specifically, Section 4.108-1, Invoicing Requirements under Revenue Regulations No. 7-95, prescribes that all VAT-registered persons shall, for every sale or lease of goods or properties or services, issue duly registered receipts or sales or commercial invoices which must show the following:

1. the name, TIN and address of seller;
2. date of transaction;
3. quantity, unit cost and description of merchandise or nature of service;
4. the name, TIN, business style, if any, and address of the VAT-registered purchaser, customer or client;
5. the word "zero rated" imprinted on the invoice covering zero-rated sales; and
6. the invoice value or consideration.

1. To establish the audit trail of sales and purchases needed in monitoring collections specifically from the value-added tax, the receipts, sales or commercial invoices must reflect the "name" of both the seller and the buyer as it appears in the Certificate of Registration for tax purposes. As such, all manufacturers, wholesalers and other sellers, in issuing receipts or invoices are required to accurately reflect their registered name as well as their clients' registered names.

2. It shall be the duty of the seller or any person required under Section 238 of the National Internal Revenue Code, as amended to issue receipts or invoices to reflect all information required to be shown therein. Failure to do so shall be punishable under Section 263 of the said Code prescribing a fine of P1,000 but not more than P50,000 and imprisonment of not less than 2 years but not more than 4 years upon conviction for every violation.

All internal revenue officials and others concerned are hereby enjoined to give this Revenue Memorandum Circular the widest publicity possible.

Adopted: 02 Oct. 1997

(SGD.) LIWAYWAY VINZONS-CHATO  
*Commissioner of Internal Revenue*

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