

[BIR REVENUE REGULATION NO. 5-94, February 18, 1994]

REGISTRATION OF PLACE/PREMISES WHERE INVENTORY OF GOODS FOR SALE ARE KEPT

Pursuant to Section 245, in relation to Sections 4, 16(c) and 237 of the National Internal Revenue Code, as amended, the following regulations are hereby promulgated in order to effectively monitor, for tax purposes, acquisition and disposition of inventory of goods by certain taxpayers.

SECTION 1. Registration requirement. - Any taxpayer who sells goods in the course of his trade or business shall register the place/premises where his inventory of goods for sale or for use in his business are kept.

SECTION 2. Where and when to register. - (a) Where to register. - The Taxpayer's place/premises where his inventory of goods are kept shall be registered with the Revenue District Office having jurisdiction over the location of the said place/premises. If the aforesaid taxpayer maintains two or more places/premises for inventory keeping, all the aforesaid places/premises shall be registered with the Revenue District Office or offices having jurisdiction over the location of the aforementioned places/premises.

(b) *When to register.* - The place/premises where the taxpayer's inventory of goods are kept shall be registered by the taxpayer within thirty (30) days from the date the aforesaid place/premises has been used by the aforesaid taxpayer for storage or keeping of his inventory of goods.

SECTION 3. Record of inventories. - Section 13 of Revenue Regulations No. V-1, as amended, otherwise known as the Bookkeeping Regulations, is hereby amended to read as follows:

"Sec. 13. Record of inventories. - ANY PERSON, NATURAL OR JURIDICAL, ENGAGED IN THE SALE OF GOODS IN THE COURSE OF HIS TRADE OR BUSINESS shall keep, in addition to the other books and records prescribed in these regulations, a book of inventories, in which SHALL BE RECORDED in detail the quantity, description, unit cost, and the total cost of every item of their stock-in-trade, materials, supplies and all other goods found in the premises of their establishments at the time they start business and at the close of the TAXABLE YEAR, WHETHER A CALENDAR YEAR OR FISCAL YEAR. The inventory at the beginning shall be made and submitted TO THE REVENUE DISTRICT OFFICE HAVING JURISDICTION OVER THE TAXPAYER'S PRINCIPAL PLACE OF BUSINESS WITHIN TEN DAYS AFTER STARTING THE BUSINESS, and the subsequent inventories not later than thirty days after the close of