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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
National Office Building
Quezon City



APR 23 2025

REVENUE MEMORANDUM CIRCULAR NO. **038-2025**

SUBJECT : Clarification on the Requirement of Submission of Taxpayer Identification Number of Cooperative Members for the Issuance of Certificate of Tax Exemption in Relation to Revenue Memorandum Circular No. 158-2022

TO : All Revenue Officials, Employees and Other Concerned

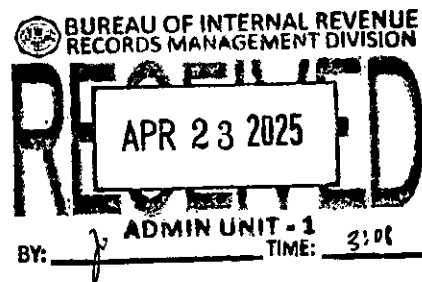
The Taxpayer Identification Number (TIN) is a unique identifier issued by the Bureau of Internal Revenue (BIR) for all taxpayers in the Philippines, serving as a crucial component in the administration of tax laws and regulations. In line with the government's efforts to improve tax administration, ensure compliance, promote transparency and accountability in its transactions, the BIR has recognized the need to standardize the compliance on the submission of TIN for members of cooperatives.

The BIR, however, is cognizant that cooperatives have been facing challenges and difficulties in securing and submitting their members' TIN due to various factors, such as capacity of the members to understand the BIR regulations pertaining to application of TIN, delays in securing documentary requirements for registration or other administration issues. As such, taken into account these factors, and in order to aid in the smooth implementation of the requirement of TIN in the application of Certificate of Tax Exemption (CTE) of the cooperatives and to allow ample time to comply with the requirement, this Circular is being issued.

I. Timeline in the compliance of cooperatives in the submission of TIN

All cooperatives must ensure that their members possess valid TIN in compliance with Section 236 of the National Internal Revenue Code of 1997, as amended (Tax Code) and Revenue Regulations No. 7-2012. As a general rule, the cooperative must submit a list of all its members with their corresponding TINs to the BIR, along with other documentary requirements pursuant to Revenue Memorandum Order No. 76-2010.

However, in case the cooperatives fail to secure the TIN of all its members due to justifiable reasons, the cooperatives are given a period of nine (9) months to comply with the TIN requirement, but in no case shall it delay the processing and issuance by the concerned office of the BIR of the CTE of the cooperative.



II. Justifiable Reasons

The cooperative which fails to secure the TIN of all its members are required to submit a Sworn Affidavit stating therein all the justifiable reasons for failure to comply with the TIN requirement for its members prior to the application of CTE, and with an undertaking that the cooperative will comply with the TIN requirement within 9 months from the issuance of CTE subject to administrative penalties as prescribed under Revenue Memorandum Circular No. 158-2022.

The justifiable reasons advanced shall be taken into account in formulating policies, rules and procedures to further improve taxpayers' service and enhance the system of issuing TIN especially to individual taxpayers.

III. Application of the CTE where the only lacking requirement is TIN of the members

The application for CTE of the cooperative, where the only lacking requirement is the TIN of its members, will still be processed and the corresponding CTE issued by the concerned office of the BIR, provided that a Sworn Affidavit as required in Item II is submitted.

IV. Denial and Suspension/Revocation of CTE

No CTE of the cooperatives shall be suspended/revoked and no application for CTE shall be denied solely on the basis of the non-submission of the TIN of its members until the availability of the enhanced Online Registration and Update System (ORUS) of the BIR is in place, *provided* that the Sworn Affidavit as required in Item II is submitted. A separate revenue issuance shall be promulgated as soon as the enhanced ORUS is available and already in place.

All revenue issuances and BIR Rulings inconsistent herewith are hereby amended, modified or revoked accordingly.

All internal revenue officials, employees and others concerned are hereby enjoined to give this circular as wide publicity as possible.



Romeo D. Eumagu, Jr.
Commissioner of Internal Revenue

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