

REVENUE MEMORANDUM ORDER NO. 26-2020 issued on August 11, 2020 prescribes the use of the revised Exchange of Information (EOI) Working Manual by the EOI Unit of the International Tax Affairs Division (ITAD) and by all officers of the BIR whose functions relate to the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the exchange of information provision of the relevant tax treaty.

The EOI Unit is responsible for carrying out exchanges of information, incoming or outgoing, between the Philippines and foreign tax jurisdictions pursuant to the EOI provisions of existing and effective tax treaties, which is under the supervision of the Commissioner of Internal Revenue.

The revised EOI Working Manual now contains the streamlined internal processes related to incoming, outgoing and spontaneous EOI requests. Notable differences between the old and revised EOI Working Manuals are specified below.

Old EOI Working Manual	Revised EOI Working Manual													
Only the Commissioner could sign EOI documents	<p>The following officials are now allowed to sign EOI documents on behalf of the Commissioner pursuant to Revenue Delegation Authority Order (RDAO) Nos. 2-2019 and 3-2020:</p> <table border="1" data-bbox="651 927 1445 1420"> <thead> <tr> <th data-bbox="651 927 1121 965">EOI Document</th> <th data-bbox="1125 927 1445 965">Signatory</th> </tr> </thead> <tbody> <tr> <td data-bbox="651 969 1121 1039">Acknowledgment letter to foreign tax authority</td> <td data-bbox="1125 969 1445 1039">Division Chief, ITAD</td> </tr> <tr> <td data-bbox="651 1043 1121 1113">Letter to Government Agencies</td> <td data-bbox="1125 1043 1445 1305" rowspan="4">ACIR, Legal Service</td> </tr> <tr> <td data-bbox="651 1117 1121 1155">Letter to BIR Offices</td> </tr> <tr> <td data-bbox="651 1160 1121 1229">Partial Reply to Foreign Tax Authority</td> </tr> <tr> <td data-bbox="651 1234 1121 1303">Final Reply to Foreign Tax Authority</td> </tr> <tr> <td data-bbox="651 1308 1121 1377">Letter to Banks and Other Financial Institutions</td> <td data-bbox="1125 1308 1445 1377">DCIR, Legal Group</td> </tr> <tr> <td data-bbox="651 1382 1121 1420">Outgoing EOI Requests</td> <td data-bbox="1125 1382 1445 1420"></td> </tr> </tbody> </table> <p>The streamlining of EOI processes was made in response to the recommendation of the Global Forum during the second round of review of the Philippines' compliance with the internationally agreed standards on exchange of information in June 2018. This is also consistent with the Ease of Doing Business and Efficient Government Service Delivery Act of 2018.</p>	EOI Document	Signatory	Acknowledgment letter to foreign tax authority	Division Chief, ITAD	Letter to Government Agencies	ACIR, Legal Service	Letter to BIR Offices	Partial Reply to Foreign Tax Authority	Final Reply to Foreign Tax Authority	Letter to Banks and Other Financial Institutions	DCIR, Legal Group	Outgoing EOI Requests	
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Request for information was only for the purpose of assessment of taxes	<p>Request for information may relate to assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the exchange of information provision of the relevant tax treaty.</p> <p>Thus, not only Examiners are encouraged to initiate a request for information. Even the action officers and Chief of ITAD may initiate a request if the information is necessary in the preparation of treaty rulings, or if,</p>													

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	<p>based on the latter’s evaluation, it is necessary for the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the exchange of information provision of the relevant tax treaty. Collection Officers and Prosecution Officers may likewise request for information.</p>
<p>For banking information, notification to the account-holder shall be made within sixty (60) days from receipt of the letter of request</p>	<p>During the second round of peer review, the Global Forum recommended that the Philippines should ensure that there is an exception from the time-specific, post-exchange notification requirement.</p> <p>Since the Philippines cannot dispense with the post-exchange notification requirement, it issued Revenue Regulations (RR) No. 22-2018 which mandates the sending of notice to the taxpayer only after receipt of communication from the requesting jurisdiction that the investigation has already attained finality in cases where notification is likely to undermine the chance of success of the investigation conducted by the requesting jurisdiction, and the requesting jurisdiction has substantiated its request for a deferment of the notification based on these grounds.</p> <p>The provisions of RR No. 22-2018 have already been included in the revised EOI Working Manual.</p>
<p>Group request was not included</p>	<p>The manner of initiating an EOI group request was already included in compliance with the EOI standard.</p>
<p>The period provided within which to provide the information is usually 60 days, subject to extension for another 30 days</p>	<p>The requested office or taxpayer shall be given a shorter period (usually 30 days) within which to provide the information, subject to extension which shall not exceed 30 days.</p>
	<p>The Model Templates were likewise revised, especially the template for outgoing EOI</p>

When processing EOI requests, EOI Officers and other concerned revenue officers of the BIR are enjoined to follow the guidelines set forth in the revised EOI Working Manual, especially in regard to initiating outgoing EOI requests, responding to incoming EOI requests in a timely manner and maintaining confidentiality at all times.