

REVENUE MEMORANDUM ORDER NO. 7-2020 issued on February 18, 2020 prescribes the policies and guidelines in the audit/investigation of cooperatives for taxable years 2018 onwards.

Cooperatives which transact business with both members and non-members whose accumulated reserves and undivided net savings is more than Ten Million Pesos (₱ 10,000,000.00), including other cooperatives with income not related to the main/principal business/es under their Articles of Incorporation, shall be prioritized for audit/investigation by the Revenue District Offices having jurisdiction over the said cooperatives.

The policy on the maximum workload of thirty (30) cases per Revenue Officer shall not be applicable to the audit of cooperatives.

The Electronic Letter of Authority Monitoring System (eLAMS) shall be used in the request, approval and issuance of electronic Letters of Authority (eLAs), as well as in reporting the accomplishments on eLAs issued.

To ensure the close monitoring of cooperatives audited, the following reports shall be prepared and submitted by the Revenue District Officers to the Assistant Commissioner - Assessment Service, Attention: The Chief, Audit Information Tax Exemption & Incentives Division through email address aiteid@bir.gov.ph, not later than the 10th day of each month:

Name of Report	Annex
List of Cooperatives with Electronic Letters of Authority (eLAs) Issued	A
Monthly Summary of Accomplishment on Audit of Cooperatives	B