**JOINT SWORN STATEMENT**

**ANNEX “E”**

*(System/software will be outsourced)*

Republic of the Philippines

Province of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City/Municipality of \_\_\_\_\_\_\_\_\_\_

 I, ***(Name of Affiant)***, ***(Nationality)***, of legal age designated as ***(Position)***, duly representing ***(Name of Company/Corporation),*** the user of the Computerized Accounting System and/or its Components thereof, with business address located at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, engaged in ***(Line of Business)*** and existing under ***(Business Name)***, with ***(VAT/Non-VAT Registered)*** TIN ­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ referred hereto as “Taxpayer/Client”.

**-and-**

I, ***(Name of Affiant)***, ***(Nationality)***, of legal age designated as ***(Position)***, duly representing ***(Name of Company/Corporation)***, the developer/provider of the Computerized Accounting System (CAS) and/or its Components thereof, with business address located at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, engaged in ***(Line of Business)*** and existing under ***(Business Name)***, with ***(VAT/Non-VAT Registered)*** TIN \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ referred hereto as the “Service Provider”.

 Do hereby voluntarily depose and say that:

As Taxpayer/Client:

* Shall be responsible to have the system be registered with BIR prior to its use;
* ***(Name of User)*** contracted the services of ***(Name of Developer/ Service Provider)*** for the ***(indicate service to be rendered to the taxpayer)*** and will use the ***(CAS/CBA and/or its Components/Middleware/ESS)*** owned/developed by the latter*;*
* Shall maintain all accounting records and other relevant financial data which can be accessed and will be made readily available to BIR as requested during audit, Post-Evaluation and Tax Compliance Verification Drive (TCVD);

* The system/software has no suppression of sales/income and/or other technical scheme within the system that may affect the correctness of the sales for purposes of taxation;
* That all reports, accounting records and other relevant financial data shall be retained for 10-year period pursuant to Revenue Regulations (RR) No. 17-2013, as amended by RR No. 5-2014; and
* Shall notify the RDO having jurisdiction over our place of business prior to the expiration/termination of contract with the developer/provider. The expiration/termination of contract shall be tantamount to the cancellation of the registration of CAS.

As the Service Provider:

* Shall provide the service to ***(Name of User)*** for the ***(indicate service to be rendered to the taxpayer)*** and will use the ***(CAS/CBA and/or its Components/Middleware/ESS)***with its functional and technical features or description as shown on Annex “C-1” hereof;

* The system/software complies with the applicable requirements prescribed under existing revenue issuances;

* Shall not in any way allow the system/software to have sales/income suppression and/or other technical scheme within the system that may affect the correctness of the sales for purposes of taxation;
* The ***(CAS/CBA and/or its Components/Middleware/ESS)*** can:
	+ Produce audit trails/activity logs with substantive compliance;
	+ Produce standard audit file
	+ Provide archive/restore procedures; and
	+ Provide comprehensive systems documentation;
* The ***(CAS/CBA and/or its Components/Middleware/ESS)*** is integrated with effective security controls; *(specify security controls)*
* As developer/provider we shall provide the taxpayer-client the access to its books of accounts and other accounting records any time during business hours, except when the contract is terminated;
* The system/software database backup shall be preserved for a mandatory period of **ten (10) years** pursuant to Revenue Regulations (RR) No. 17-2013, as amended by RR No. 5-2014; and
* Authorized Revenue Officers of the BIR shall be provided with access to view and provide data/records that may be requested for purposes of authorized audit, Post-Evaluation or TCVD.

Both of Us (Taxpayer/Client and Service Provider);

* Shall be responsible to assist the BIR in the extraction of sales and other financial data from the software/system that is relevant and necessary in the conduct of the audit, Post-Evaluation or TCVD;
* Shall not make any change, upgrade or enhancement on the original system/software without prior written notification to the concerned RDO;
* Shall be presumed to have knowledge in the event that sales/income suppression shall be found in the system/software during audit, Post-Evaluation or TCVD; and
* Shall face any legal sanctions and pay corresponding penalties thereof as provided for under the National Internal Revenue Code of 1997, as amended, and other relevant issuances in case of violations thereof.

WE HEREBY DECLARE UNDER PENALTIES OF PERJURY THAT THE FOREGOING ATTESTATIONS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **(Signature over Printed Name) (Signature over Printed Name)**

 Taxpayer/User System/Software Developer/Provider

TIN: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ TIN: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SUBSCRIBED and sworn to before me, in the City/Municipality of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, this day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with Residence Certificate Nos. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, respectively, issued at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_.

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Series of \_\_\_\_\_\_