

REVENUE MEMORANDUM ORDER NO. 59-2022 issued on December 27, 2022 prescribes the guidelines and procedures in the conduct of fuel testing mandated under Section 148-A of the National Internal Revenue Code (NIRC) of 1997, as amended by Republic Act (RA) No. 10963 (TRAIN Law), and the Department of Finance (DOF) Joint Circular No. 001.2021 implementing the guidelines on field testing for the Fuel Marking Program, enforcement operations, forfeiture and prosecution of cases on offenses related to fuel marking.

For purposes of this Order, a BIR FIELD INSPECTION UNIT shall be constituted and composed of the following officers who shall be responsible in the conduct of the undertaking:

Over-all Head: Deputy Commissioner of Internal Revenue (DCIR)
Operations Group

Team I: Large Taxpayers

Head: ACIR, Large Taxpayers Service (LTS)
Co-Head: ACIR, Enforcement & Advocacy Service (EAS)
Asst. Head: Head Revenue Executive Assistant (HREA), LTS-Excise
Co-Asst. Head: HREA, EAS
Members: Chief, National Investigation Division (NID) and
Representatives
Chief, Excise LT Field Operations Division (ELTFOD)
and Representatives
Excise LT Audit Division II Representatives [Optional]
Excise Tax Areas (EXTA) Representatives [Optional]

Team II: Non-Large Taxpayers

Head: Concerned Regional Director
Asst. Head: Concerned Assistant Regional Director
Members: Chief, Regional Investigation Division (RID) and
Representatives
Representatives from Legal Division
Representatives from Revenue District Offices (RDO)
[Optional]
Excise Tax Areas (EXTA) Representatives [Optional]

The said Unit may request other revenue personnel from other offices to provide assistance and relevant information relative to the enforcement operations.

All random field and confirmatory testing activities of the BIR Field Inspection Unit shall be covered by duly issued Mission Orders (MOs) and shall be conducted together with the authorized officers from the Bureau of Customs (BOC) in accordance with the provisions of the DOF Joint Circular No. 001.2021 dated February 1, 2021. The MO of the BIR Field Inspection Unit shall be signed by the DCIR-Operations Group, ACIR, LTS, or the concerned Regional Director.

In case the subject of the random field and confirmatory testing activity is a registered Excise Large Taxpayer under the LTS, the said activity shall be performed by Team I (ELTFOD, NID, Excise LT Audit Division II or EXTA). On

the other hand, if the identified owner/possessor of excisable articles or machinery, etc. falls under the jurisdiction of the Revenue Region (RR), Team II (RID, EXTA and/or concerned Revenue District Office having jurisdiction over the said taxpayer) shall conduct the activity.

The MOs shall be issued in triplicate/quadruplicate copies and to be distributed as follows:

- Original - Revenue Officer/s (ROs) directed to conduct the surveillance, and to be attached to the report on surveillance after termination of the activity.
- 2nd Copy - Investigating Office's/Division's file copy
- 3rd Copy - Issuing Office's file copy
- 4th Copy - Taxpayer's copy

All requests from the BOC for the conduct of a random field and confirmatory testing activity shall be processed and acted upon by the BIR Field Inspection Unit within five (5) days from receipt of such request.

All legal issues shall be referred to the Law & Legislative Division under the Legal Service at the National Office or to the Legal Division of the concerned Revenue Region, whichever is applicable. The resolution of the legal issues shall be prepared and issued within fifteen (15) working days from the date of receipt of such referral.

The BIR Field Inspection Unit Team shall be assisted by a Secretariat which shall be composed of personnel from the ODCIR-OG. Their duties and responsibilities are stated in the Order.

The Head of the applicable BIR Field Inspection Unit Team shall coordinate with other government agencies and/or private individuals/entities who will be giving information relative to the activities covered by the Order.

In all random field and confirmatory testing activities to be conducted by the BIR Head Field Inspection Unit Team, the ELTFOD, LTS shall assist in the computation of the: i) deficiency Excise Tax and Value-Added Tax (VAT) due on fuel found to be either unmarked, adulterated or diluted; and ii) the corresponding penalties due pursuant to Section 265-A of NIRC of 1997, as amended.

The Guidelines and Procedures relative to the i) Preliminary Procedures; ii) Conduct of Random Field and Confirmatory Testing Activity; and iii) Evaluation of the Results of the Random Field and Confirmatory Testing Activity, including the Reportorial Requirements are specified in the Order.