



**RISK-BASED VERIFICATION MATRIX
FOR VALUE-ADDED TAX (VAT) REFUND CLAIMS PURSUANT TO SECTION 112(A) OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED**

IDENTIFIED RISK	WT.	LOW (10 POINT)	MEDIUM (50 POINTS)	HIGH (100 POINTS)	SOURCE OF DATA / INFORMATION
I. AMOUNT OF CLAIM (30%)					
Annually	30%	P20 million and below	More than P20 million but not exceeding P150 million	More than P150 million	VAT Refund application (BIR Form No. 1914)
Semi-annually or covering 3 quarters		P10 million and below	More than P10 million but not exceeding P100 million	More than P100 million	
Quarterly		P5 million and below	More than P5 million but not exceeding P50 million	More than P50 million	
II. FREQUENCY OF CLAIM (25%)					
Frequency of filing	15%	Regular (consecutively filing for the last 3 taxable years)	Consecutively filing for the last 2 taxable years; or there were no claims made for one taxable year or 1-4 taxable quarters during the last 3-year period	There were no claims made for 2 years or more than 4 taxable quarters during the last 3-year period	Masterlist of VAT refund reports of Processing Office
Manner of filing in a year	10%	Annual	Semi-annual or covering 3 Quarters	Quarterly	
III. TAX COMPLIANCE HISTORY (20%)					
a. With issued Letter of Authority (LOA) (covering all internal revenue taxes and VAT audit)	10%	No issued LOA for the last 3 years		With issued LOAs for the last 3 years	<ul style="list-style-type: none"> • APMD LOA monitoring • IRIS CMS database
b. With Delinquent Tax Liabilities	10%	With No Delinquent Tax Liabilities during the application of claim		With Delinquent Tax Liabilities during the application of claim	
IV. OTHER RISK FACTORS (25%)					
a. Level of disallowance from previous claim/s (based on total claims covering the latest 3 claims)	15%	15% and below	Above 15% up to 30%	Above 30%	Masterlist of VAT refund reports of Processing Office
b. With COA disallowance, if applicable (Supported by Notice of Disallowance)	10%			With COA Disallowance	COA Notice of Disallowance

TOTAL 100%

