



PRESS RELEASE

Coops Led by the Philippine Cooperative Center Act on BIR-related Issues

Some issues raised by the coops that relate to the Bureau of Internal Revenue (BIR) have been affecting the movement. For instance, of the 18,000 operating coops, only 6,750 or approximately one-third were able to secure their certificates of tax exemption (CTE). This has prodded the movement to conduct a series of meetings over the last two months.

Last November 5, Congressman Ben Canama chaired a Congressional Hearing which focused on the CTE. In the said hearing, Cebu Peoples Cooperative testified that their cooperative is being assessed for P69 Million, because their members are lacking in the TIN requirements. In this regard, coop leaders were one in affirming that TIN should not be required for securing CTE. However, because of several memoranda and revenue regulation issuances, BIR is open to review and discuss the issue.

Cong. Canama asked BIR to set a separate meeting in order to discuss the issues and concerns of the said cooperative, for the purpose of which the former set the following day, November 6, to discuss this matter. That meeting ended with all parties concerned—BIR, CDA and coop leaders—agreeing to form a Technical Working Group (TWG) in four clustered by island-region to act on the following:

1. A levelling-off of policies relating to taxation
2. Implementation of laws and issues
3. Inter- agency cooperation and partnership with the cooperative sector
4. Ways forward- executive and legislative action and organization/ institutional development

The 1st TWG meeting took place on November 22 at the BIR National Office; and the second, on November 27. The two meetings culminated in developments that seemed beneficial to the movement, to wit:

1. BIR agreed to revisit and review the different issuances on CTE together with the cooperative sector and the Cooperative Development Academy (CDA);
2. BIR proposed to review JAO 1-2019 for possible amendments, particularly on penalties (revocation and taxability of a coop);
3. The schedule for the initial review of the BIR issuances, i.e. CTE/TIN RMC No. 102-2016, RMC No. 18-2017, Memo 011-2017 signed by the Commissioner of the Bureau of Internal Revenue, CIR Dulay among others, will be finalized;

4. BIR will issue an internal memo regarding the standardization of the process flow and requirements in accordance with the law (existing RMCs), including the change in accounting period vis-à-vis RA 9520. Coops need to protest the slow processing of CTE and assessments being levied against cooperatives. BIR is set to revisit their Citizens Charter;
5. Cases brought up will be prioritized by the RDOs. All pending applications on CTE will be mapped out and acted upon by the RDOs;
6. The composition of BIR and CDA TWG will be provided within 2 weeks' time, and to be followed up by Cong Ben's office; and
7. Guidelines for the creation of the TWG will also be clarified and finalized. The said guidelines will be discussed in the next meeting. TWG meetings for NCR, Luzon Visayas and Mindanao will be scheduled and will be coordinated by Carlitos Duenas and PCC with all the parties concerned.

Following the December 9 meeting among BIR Officials, coop Leaders led by PCC, the Office of Cong Ben and CDA, BIR formed their own TWG for the purpose of addressing the issues and concerns brought up by the cooperative sector during the Congressional hearing last November 5, 2019 at the HOR chaired by Congressman Ben Canama. After consulting with the federations and unions, PCC submitted the names of the coop sector's representatives across the NCR, Luzon, Visayas and Mindanao Clusters. CDA, though, has yet to submit the names of their representatives.

As to the National Technical Working Group composed of Officials from BIR (Main Office), the Office of Congressman Canama, CDA and PCC-led coops, among the points highlighted were: for Congressman Ben Canama to set a meeting with DOF, BIR, CDA and PCC regarding the review of JAO 1- 2019; the review and possible amendments of JRR 2010 particularly Sections 8 and 10 (B) to align with Article 61 of RA 9520; and discussions on how to implement RA 11364 Sec 14 on Registration for Tax Exemptions.

Contact Person:
EDWIN A. BUSTILLOS
09178017309

Contact Person:

Edwin A. Bustillos
+639178017309

Diosdado L. Luna
+639175198433

Carlitos Duenas
+639228906524

Agapito "Butz" Aquino #90 Balete Drive Ext., Quezon City 1112
Telefax Nos. PLDT (02) 8723-7392; Bayantel (02) 3416-6458
PLDT Mobile Tel #s : (02) 8400-2033 <> (02) 8359-8947 Globe (02) 7739-4794
Email Address: philcoopcenter@yahoo.com <> Website: www.pccapex.coop

Agapito "Butz" Aquino #90 Balete Drive Ext., Quezon City 1112
Telefax Nos. PLDT (02) 8723-7392; Bayantel (02) 3416-6458
PLDT Mobile Tel #s : (02) 8400-2033 <> (02) 8359-8947 Globe (02) 7739-4794
Email Address: philcoopcenter@yahoo.com <> Website: www.pccapex.coop