REVENUE MEMORANDUM ORDER NO. 7-2004 issued on March 1, 2004 specifies the details of the Centennial Taxpayers Recognition Program (CTRP).

All corporations following the calendar year of reporting and all individuals engaged in business or are considered as mixed income earners can vie for the CTRP. For an eligible taxpayer to be considered in the centennial award selection process, said taxpayer must fulfill, in the minimum, all of the following conditions:

a. Growth rate of Income Tax payment for tax year (January to December) 2003 over tax year 2002 must be at least 20%.

b. Growth rate of Income Tax for 4th quarter 2003 (for payment in April 15, 2004 for both corporate and individuals) over 4th quarter 2002 (April 2003 payment) must be at least 25%.

c. Growth rate of Income Tax for the 1st quarter 2004 (for payment in May 31, 2004 for corporate and April 15 for individual) is at least 25% more than 1st quarter 2003.

d. For business entities, the ratio of Income Tax payment to Gross Sales in year 2003 must be at least equal to the year 2002 ratio. In addition, the ratio of Income Tax payment to Gross Sales for the 1st quarter of 2004 must be at least equal to the 1st quarter 2003.

e. For those subject to Value Added Tax (VAT), the VAT actually paid to the Bureau for taxable year 2003 shall be equal to or greater than the higher of: (a) the equivalent of 3% of their total sale/receipt of 2003, or (b) effective VAT rate for the taxable year 2002.

For those subject to Percentage Tax, the ratio of Percentage Tax actually paid to gross sales/receipt for taxable year 2003 should not be less than the ratio of the Percentage Tax actually paid to gross sales/receipt for taxable year 2002.

Tax payment for inclusion in the calculation shall be limited to amounts actually paid in cash. Creditable Withholding Taxes, which are properly supported by a Certificate of Tax Withheld (BIR Form 2307), shall be considered as cash payments.

The Centennial Taxpayers will be honored during the Centennial Anniversary Celebration of the BIR on August 1, 2004 and listed in an Honor Roll to be published in a national newspaper as well as be given the following benefits:

a. Centennial Taxpayer’s Trophy;

b. A Centennial Honor Taxpayer’s Card which initially will entitle the taxpayer honored and special attention in any official transaction with BIR or DOF office; and

c. Priority availment of e-Services such as Electronic Filing and Payment System, E-Submission and E-Paye.

The Top Centennial Taxpayers shall, in addition to the above listed honors and benefits, be accorded the protection of last priority in audit and investigation for taxable calendar year 2003 for all tax payments, which may only be undertaken upon careful evaluation and authorization by the BIR Commissioner.

A Centennial Awards aspirant whose correct/accurate income tax payment will result in a shortfall or gap in the required growth rates and ratio may opt to make up for the shortfall or gap by making a voluntary additional payment. For this purpose, they
should accomplish a Centennial Voluntary Payment Waiver of Refund Form (BIR Form 0605-100).

Taxpayers not qualified under this Order who will show commendable improvement in their 4th quarter and 1st quarter 2004 Income Tax payments shall be given Centennial Awards following the standards to be prescribed in a separate Revenue Memorandum Circular.