REVENUE MEMORANDUM ORDER NO. 12-2009 issued on April 30, 2009 enjoins the strict implementation of the penalty provisions for non-submission of Quarterly Summary Lists of Sales and Purchases.

Every failure by a taxpayer who is required to submit the required Summary List of Sales and/or Summary List of Purchases in the prescribed format for a particular period, or submits erroneous/incomplete/falsified information in a particular Summary List, shall be considered as grounds for the issuance of a Subpoena Duces Tecum by the BIR office concerned to the taxpayer, mandating the immediate submission of the said documents. Upon submission of the required Summary Lists in compliance with the Subpoena Duces Tecum, the concerned taxpayer shall also be required to pay a compromise penalty in the amount of ₱10,000 for each non-submission of the required Summary Lists of Sales and Purchases.

In the event that a taxpayer should continue to fail to submit the required Summary Lists in compliance with a duly-issued Subpoena Duces Tecum, such non-submission shall be tantamount to failure to supply correct and accurate information under Section 255 of the National Internal Revenue Code (NIRC), which is punishable by a fine of not less than ₱10,000 and imprisonment of not less than one (1) year but not more than ten (10) years upon conviction thereof. Consequently, the Revenue District Officer concerned shall initiate the necessary administrative and judicial action with the end in view of imposing the corresponding administrative and criminal penalties in accordance with the said Section of the NIRC.

Section 255 also provides that any person who attempts to make it appear for any reason that he or another has in fact filed a return or statement, or actually files a return or statement and subsequently withdraws the same return or statement after securing the official receiving seal or stamp of receipt of an internal revenue office wherein the same was actually filed shall, upon conviction therefor, be punished by a fine of not less than ₱10,000 but not more than ₱20,000 and suffer imprisonment of not less than one (1) year but not more than three (3) years.

In the case of corporations that fail to submit their Summary Lists of Sales and Purchases, the corporate officers and employees of the corporation concerned shall be held criminally liable for such failure, which is punishable by a fine of not less than ₱50,000 but not more than ₱100,000 upon conviction for each act or omission, in addition to other penalties, in accordance with Section 256 of the NIRC.