

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**  
Quezon City

May 30, 2019

**REVENUE MEMORANDUM ORDER NO. 40-2019**

**SUBJECT : Prescribing the Procedures for the Proper Service of Assessment Notices in Accordance with the Provisions of Section 3.1.6 of Revenue Regulations (RR) No. 18-2013**

**TO : All Internal Revenue Officers and Others Concerned**

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**I. Objectives**

1. To prescribe the proper procedures to be observed when serving the assessment notices such as Preliminary Assessment Notice (PAN), Final Assessment Notice (FAN)/Formal Letter of Demand (FLD) and Final Decision on Disputed Assessment (FDDA);
2. To delineate the duties of the offices responsible for the service of assessment notices; and
3. To prescribe a standard format of the report to be prepared by the server of the notice as required in Section 3.1.6 of RR No. 18-2013.

**II. Guidelines and Procedures**

1. The assessment notice shall be served to the taxpayer through personal service by delivering personally a copy of the assessment notice at his registered or known address or wherever he may be found. A known address shall mean a place other than the registered address where business activities of the party are conducted or his place of residence.
2. In case personal service is not possible, the assessment notice shall be served either by substituted service or by mail. However, substituted service can only be resorted to when the party is not present at the registered or known address.
  - 2.1 Substituted service shall be done as follows:
    - 2.1.1 The assessment notice may be left at the party's registered address, with his clerk or with a person having charge thereof.
    - 2.1.2 If the known address is a place where business activities of the party are conducted, the notice may be left with his clerk or with a person having charge thereof.
    - 2.1.3 If the known address is the place of residence, substituted service can be made by leaving the copy with a person of legal age residing therein.

2.1.4 If no person is found in the party's registered or known address, the Revenue Officers (ROs) concerned shall bring a barangay official and two (2) disinterested witnesses to the address so that they may personally observe and attest to such absence. The assessment notice shall be given to said barangay official. Such facts shall be contained in the bottom portion of the assessment notice, as well as the names, official positions and signatures of the witnesses.

2.1.5 Should the party be found at his registered or known address or any other place but refuses to receive the assessment notice, the ROs concerned shall bring a barangay official and two (2) disinterested witnesses in the presence of the party so that they may personally observe and attest to such act of refusal. The assessment notice shall be given to said barangay official. Such facts shall be contained in the bottom portion of the assessment notice, as well as the names, official positions and signatures of the witnesses.

“Disinterested witnesses” refers to persons of legal age other than employees of the Bureau of Internal Revenue.

2.2. Service by mail shall be done by sending a copy of the assessment notice through -

2.2.1 Registered mail with an instruction to the Postmaster to return the mail to the sender after ten (10) days, if undelivered; or

2.2.2 Reputable professional courier service; or

2.2.3 Ordinary mail, if no registry or reputable courier is available in the locality of the taxpayer.

3. The envelope containing the notice must be properly addressed with the following statement:

3.1 To be printed/stamped on the lower portion of the face of the envelope

Return to Sender:

- Moved Out
- Unknown
- Refused to accept
- No One to Receive
- Insufficient Address

- Forwarding Address:  
\_\_\_\_\_
- Others: \_\_\_\_\_

3.2 To be printed/stamped on the backside of the envelope, the instruction

“If undelivered within ten (10) days, please return to (indicate specific BIR office and address).”

4. For assessment notices that are served to the taxpayer through personal or substituted service, the following statement shall be indicated at the lower portion of the notice:

**ACKNOWLEDGEMENT OF RECEIPT**

(To be accomplished by recipient)

\_\_\_\_\_  
Date of Receipt

\_\_\_\_\_  
Printed Name, with Position/Designation/  
Relationship if Made on Behalf of the  
Taxpayer Named in the Assessment Notice

\_\_\_\_\_  
Signature of Person Acknowledging  
Receipt

\_\_\_\_\_  
Printed Name and Position of  
Barangay Official

\_\_\_\_\_  
Signature of Barangay Official

\_\_\_\_\_  
Signature Over Printed Name of Witness

\_\_\_\_\_  
Signature Over Printed Name of Witness

(To be accomplished by the server)

- Please check:  No person found in the taxpayer’s registered or known address  
 Party refused to receive the assessment notice

I hereby certify that the original copy of this (PAN/FLD/FAN/FDDA) was duly served by me, same having been received by \_\_\_\_\_ on the date mentioned above.

\_\_\_\_\_  
Signature Over Printed Name of the Revenue  
Officer Who Served the Assessment Notice

- 5. Personal or substituted service of assessment notice shall be effected by the RO assigned to the case. However, such service may also be made by any BIR employee duly authorized for the purpose.
- 6. In compliance with Section 3.1.6 (iii) of Revenue Regulations No. 18-2013, the server shall prepare the following written reports in triplicate copies, which shall be under oath before a Notary Public or any person authorized to administer oath under Section 14 of the NIRC, as amended, setting forth the manner, place and date of service, the name of the person/barangay official/professional courier service company who received the same and such other relevant information.
  - 6.1 Report on Personal/Substituted Service (Annex A)
  - 6.2 Report on Service by Mail/Courier (Annex B)
  - 6.3 Distribution of copies:
    - Original - Assessment Division/Reviewing Office
    - Duplicate - File copy of the Office where the RO/BIR employee who made the service is assigned,

whether through personal service, substituted service or service by mail

Triplicate - Server's copy

7. The following documents as proof of service, shall be provided by the server to the Assessment Division or Reviewing Office as attachment to the docket of the case:
  - 7.1 Duplicate copy of the assessment notice duly received by the taxpayer/authorized representative or person mentioned under item no. 2.1 hereof, in case of substituted service;
  - 7.2 Registry receipt issued by the Philippine Postal Corporation (PhilPost), or the official receipt issued by the professional courier company (PCC);
  - 7.3 Registry return card or proof of delivery if mailed through the PhilPost, or proof of delivery if mailed thru PCC;
  - 7.4 In case of unclaimed notices, the unclaimed envelope containing the assessment notice and notice given by the postmaster to the addressee duly certified by the postmaster, or certification from the PCC stating the detailed circumstances/reason(s); and
  - 7.5 Any other pertinent document executed with the intervention of the PhilPost/PCC company.
8. The server shall prepare the written report and transmit the same, together with the applicable proof of service mentioned in item nos. 7.1 and 7.2 above, to the Assessment Division or Reviewing Office on the day following the day of service of assessment notice.
9. Service by mail of assessment notices issued by the regional offices shall be the responsibility of the Administrative and Human Resource Management Division (AHRMD). Thus, the Chief of the AHRMD shall ensure that the return cards/proof of delivery, unclaimed envelopes and other documents mentioned in item nos. 7.4 and 7.5 of this Order, in case of unclaimed notices, are retrieved from PhilPost/PCC and transmitted without delay to the Assessment Division.
10. Personal service shall be complete upon actual delivery of the assessment notice to the taxpayer or his representative. Service by registered mail is complete upon actual receipt by the taxpayer or after five (5) days from the date of receipt of the first notice of the postmaster, whichever date is earlier. Service by ordinary mail is complete upon the expiration of ten (10) days after mailing.
11. Service to the tax agent/practitioner, who is appointed or authorized by the taxpayer in accordance with existing revenue issuances, shall be deemed service to the taxpayer.
12. The Chief of the Assessment Division or the Head of the Reviewing Office shall maintain a record of all assessment notices that were issued with the following details:
  - 12.1 Type of Assessment Notice (PAN/FLD/FAN/FDDA);
  - 12.2 Assessment Notice Number, if applicable;
  - 12.3 Date of Assessment Notice;
  - 12.4 Name of Taxpayer;

- 12.5 Registered Address;
- 12.6 Mode of Service;
- 12.7 Date of Service;
- 12.8 Name of Taxpayer/Person who received the assessment notice;
- 12.9 Position/designation/relationship to the taxpayer, if not personally served to the taxpayer named in the assessment notice;
- 12.10 Address/place where the assessment notice was served/delivered in case the assessment notice was served in a place other than his registered address; and
- 12.11 Status – Indicate whether the deficiency tax assessment is
  - a. Paid;
  - b. Unprotested; or
  - c. Disputed.

### **III. Repealing Clause**

All other issuances and/or portions thereof that are inconsistent with this Order are hereby repealed, modified or amended accordingly.

### **IV. Effectivity**

This order shall take effect immediately.

(Original Signed)  
**CAESAR R. DULAY**  
Commissioner of Internal Revenue

**Report on Personal/Substituted Service**

I hereby declare that I served the document(s) listed herein to the following taxpayer(s)/person(s):

Date of Service (1)	Document (2)			Name of Person Served (3)			Where Documents Were Served/Delivered (4)			Mode of Service (Check Appropriate Box) (5)				
	Name (2.1)	Assessment Notice No., if applicable (2.2)	Date Issued (2.3)	Name of Taxpayer (3.1)	Name of Person Served (Other than the taxpayer Named in the Document) (3.2)	Position/ Relationship to the taxpayer (3.3)	Address (4.1)	Check the Appropriate Box Corresponding to the Address Where the Documents Were Served/Delivered) (4.2)			Personal Service (5.1)	Substituted Service (5.2)		
								Registered Address (4.2.1)	Business Address (4.2.2)	Residence Address (4.2.3)		Clerk/ Person in Charge of the Office (5.2.1)	Competent Member of the Household/ Person of Legal Age (5.2.2)	Barangay Official (5.2.3)

I attest to the accuracy of the information contained herein.

\_\_\_\_\_  
(Signature Over Printed Name of Person  
Who Served the Notices/Documents)

BIR ID No. \_\_\_\_\_

Date Prepared: \_\_\_\_\_

**SUBSCRIBED and sworn** to before me this \_\_\_ day of \_\_\_\_\_, affiant exhibiting to me the above-stated identification card.

\_\_\_\_\_  
(Person Administering Oath)

**Report on Service by Mail/Courier**

I hereby declare that I served the documents to the taxpayers listed herein by enclosing them in sealed envelopes and mailed as follows:

Document Mailed (1)			Name/Address of Taxpayer as Shown on the Document/Assessment Notice (2)		Date of Mailing (3)	Place of Mailing (4)	Registry Receipt/ Official Receipt No. (5)		Professional Courier Company (6)		Please Check if Service is Made Through Ordinary Mail (7)
Name (e.g. PAN, FAN, etc.) (1.1)	Assessment Notice No. (if applicable) (1.2)	Date Issued (1.3)	Name (2.1)	Address (2.2)			PhlPost (5.1)	Courier Co. (5.2)	Name of Company (6.1)	Address (6.2)	

I attest to the accuracy of the information contained herein.

\_\_\_\_\_  
(Signature Over Printed Name of Employee Assigned  
to Mail the Documents/Assessment Notices)

BIR ID No. \_\_\_\_\_

Date Prepared: \_\_\_\_\_

**SUBSCRIBED and sworn** to before me this \_\_\_ day of \_\_\_\_\_, affiant exhibiting to me the above-stated identification card.

\_\_\_\_\_  
(Person Administering Oath)