



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE

February 22, 2019

REVENUE MEMORANDUM CIRCULAR NO. 29-2019

SUBJECT : Keeping, Maintaining and Registration of Books of Accounts

TO : All Internal Revenue Officers and Other Concerned

Pursuant to Section 232 of the National Internal Revenue Code (NIRC) as amended by Republic Act (R.A.) No. 10963 and in relation to R.A. No. 11032 otherwise known as Ease of Doing Business and Efficient Government Service Delivery Act of 2018, this Circular is being issued to continuously support our government programs in improving our country's competitiveness ranking in starting a business relative to (1) keeping and maintaining of books of accounts; and (2) registration deadline of books of accounts.

**Section 1. Keeping of Books of Accounts**

All corporations, companies, partnerships or persons required by law to pay internal revenue taxes shall use and keep relevant and appropriate set of bookkeeping records duly authorized by the Secretary of Finance wherein all transactions and results of operations are shown and from which all taxes due the Government may readily and accurately be ascertained and determined any time of the year, pursuant to Sec. 232 of R.A. No. 10963.

Taxpayers may maintain its books of accounts in any of the following manner:

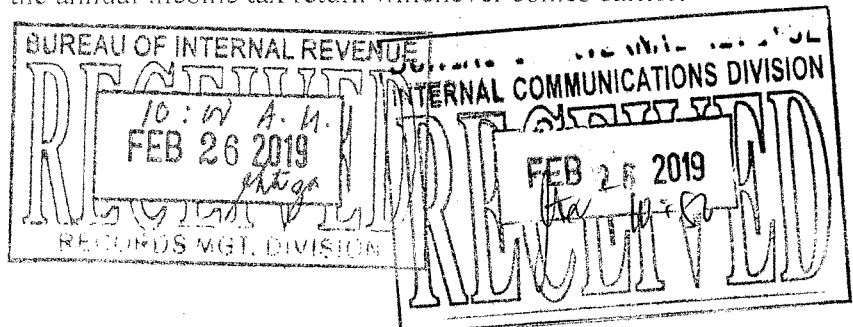
- (1) Manual Books of Accounts;
- (2) Loose leaf Books of Accounts (with Permit to Use);
- (3) Computerized Books of Accounts (with Permit to Use).

Books of Accounts shall be kept at all times in the place of business of the taxpayer. Such books and registers, together with records, vouchers, and other supporting papers and documents prescribed by the Bureau of Internal Revenue (BIR), kept by taxpayers shall be preserved intact, unaltered and un mutilated. Keeping of two or more sets of records or books of accounts is prohibited.

All entries in the Manual Books of Accounts shall be handwritten. Printouts of the accounting records pasted/glued/inserted onto pages/sheets of the registered Manual Bound Books of Accounts are prohibited and subject to penalty pursuant to existing revenue issuances.

**Section 2. Registration of Books of Accounts**

The manual books of accounts shall be registered before the deadline for filing of the first quarterly income tax return or the annual income tax return whichever comes earlier.



Loose leaf books of accounts/invoices/receipts and other accounting records shall be permanently bound and presented for registration together with a sworn statement attesting to the correctness of the entries made, and the number of all invoices, receipts, books of accounts used for the period covered to the RDO/LTAD/ELTRD/ LTD-Cebu/LTD-Davao where the Head Office or Branch is duly registered on or before "15 days after the end of each taxable year" or "within 15 days from the closure of business operations" whichever comes earlier, unless extended by the Commissioner or his duly authorized representative, upon request of the taxpayer before the lapse of said period.

Computerized Books of Accounts and other accounting records in electronic format shall be submitted and registered to the RDO/LTAD/ELTRD/LTD-Cebu/LTD-Davao where the Head Office or Branch is duly registered within thirty (30) days from the close of each taxable year or "within 30 days from the closure of business operations" whichever comes earlier, unless extended by the Commissioner or his duly authorized representative, upon request of the taxpayer before the lapse of said period.

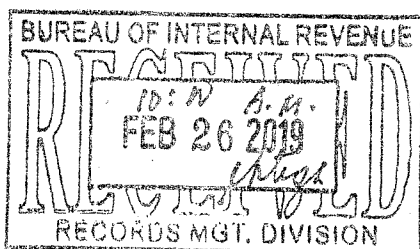
### Section 3. Examination of Books of Accounts

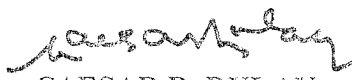
Corporations, companies, partnerships or persons whose gross annual sales, earning, receipts or output exceed Three million pesos (Php3,000,000), shall have their books of accounts audited and examined yearly by independent Certified Public Accountants.

### Section 4. Retention Period

All taxpayers are required to preserve their books of accounts, including subsidiary books and other accounting records, for a period of ten (10) years reckoned from the day following the deadline in filing a return, or if filed after the deadline, from the date of the filing of the return, for the taxable year when the last entry was made in the books of accounts: Provided that, within the first five (5) years reckoned from the day following the deadline in filing a return, or if filed after the deadline, from the date of the filing of the return, for the taxable year when the last entry was made in the books of accounts, the taxpayer shall retain hardcopies of the books of accounts, including subsidiary books and other accounting records. Thereafter, the taxpayer may retain only an electronic copy of the hardcopy (paper) of the books of accounts, subsidiary books and other accounting records in an electronic storage system which is compliant with the requirements set forth under Section 2-A of Revenue Regulations No. 5-2014.

This Circular revokes all other issuances inconsistent herewith and shall take effect immediately. All internal revenue officers and employees are hereby enjoined to give this Circular a wide publicity as possible.



  
CAESAR R. DULAY  
Commissioner of Internal Revenue  
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