

REVENUE MEMORANDUM ORDER NO. 36-2000 issued August 30, 2000 prescribes an Office Audit Program in the Assessment Division of Regional Offices. The Program shall cover the audit of tax returns of individual and corporate taxpayers, estates and trusts within the Region covering taxable years 1997, 1998 and 1999, in accordance with the order of priority specified in the Order. The Office Audit shall be conducted without field investigation and only by Revenue Officers (Assessment) of the Office Audit Section in the Assessment Division of Regional Offices. However, the Regional Director may request the conduct of office audit in Revenue District Offices which are located very far from the Regional Office, subject to the approval of the Assistant Commissioner, Assessment Service (ACIR, AS).

All office audit cases shall be covered by Office Audit Letters of Authority. The issuance of correspondence letter or any other similar orders for the purpose of audit examination shall be strictly prohibited. The policy on the simultaneous investigation of all tax liabilities of the taxpayer for the same taxable year shall be followed. One Letter of Authority shall be issued for each taxable year under audit, to include all internal revenue tax liabilities of the taxpayers.

The same taxpayer shall not be allowed to be audited for the immediate succeeding taxable year, unless there is a written justification for the conduct thereof and subject to prior approval by the ACIR, AS. The same Revenue Officer/Group Supervisor shall not be allowed to audit the same taxpayer for the immediately succeeding audit period. All reports of office audit shall be subject to final review and approval by the Regional Director.