



Bringing In Revenues
for Nation-Building

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



24 January 2025

REVENUE MEMORANDUM ORDER NO. 017-2025

SUBJECT : BIR Operational Key Performance Indicators for CY 2025

TO : All Internal Revenue Officials and Employees

I. OBJECTIVES

This Order is issued to:

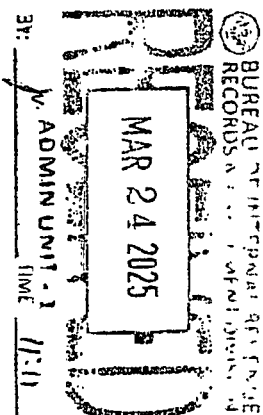
1. Prescribe the Calendar Year (CY) 2025 Operational Key Performance Indicators (KPIs) for the Large Taxpayers Service (LTS), Revenue Regions (RRs) and Revenue District Offices (RDOs); and
2. Establish the policies, guidelines and procedures in the preparation and submission of Accomplishment Reports on the applicable Operational KPIs and Rating of the Implementing Offices.

II. POLICIES

The following policies shall be observed:

1. There are seventeen (17) Operational KPIs specified in **Annex A** of this Order.
2. The detailed information for each KPI such as targets, weights, formulas, definitions, and monitoring offices are prescribed in **Annex A**.
3. The concerned Assistant Commissioner (ACIR) shall be the Measure Owner (MO) of a particular KPI involving the ACIR's area of jurisdiction.
4. The MO shall monitor, review, evaluate, and assess the KPI accomplishments/performance of RR, LTS and RDOs vis a vis target of the various offices.
5. The implementing offices include the RR, LTS and RDOs. Offices which were identified within the LTS for a specific KPI are as follows:

Applicable KPI	Weight	Implementing Office
Collection Performance	50.00	LTS National Office Audit Divisions (LTSNOADs), LTDs Cebu and Davao, Excise LT Field Operations Divisions (ELTFOD)



Applicable KPI	Weight	Implementing Office
Percentage Increase in Collection	5.00	LTSNOADs, LTDs Cebu and Davao, ELTFOD
Audit Effort	3.00	LTSNOADs, LTDs Cebu and Davao, LTS Value Added Tax Audit Unit (VATAU)
Increase in collection by 10% of previous year's audit collection goal	3.00	LTSVATAU
Audit Efficiency <i>(75% of eLAs handled were transmitted by the investigating office and acknowledged by the reviewing office)</i>	3.00	LTSNOADs, LTDs Cebu and Davao, LTSVATAU
Reduction of Tax Arrears	2.00	LTDs Cebu and Davao, Large Taxpayers Collection Enforcement Division (LTCED)
Collection	3.00	
Expedite promotion of qualified employees	1.50	LTS
Total	70.50	

6. **Calculation of Scores:** The score for each KPI is calculated using the formula below.

$$\text{Score} = \frac{\text{Applicable KPI Formula}}{\text{Applicable KPI Target}} \times \text{KPI Weight}$$

The "Total Score" is calculated by adding up all the scores for the KPIs that are applicable to an office.

7. **Determination of Overall Rating:** The overall rating shall be computed as:

$$\text{Overall Rating} = \frac{\text{Total Score}}{\text{Total Applicable KPI Weights}^*} \times 100\%$$

*The Total Applicable KPI Weights is determined by summing up the weights assigned to all the KPIs that are applicable to an Office.

8. If the actual performance exceeds the KPI target, the score will be set to the maximum assigned KPI weight.
9. All the figures to be used in all computations shall be rounded off to the nearest two (2) decimal places.
10. The Operational KPIs will be incorporated as measures in the Office Performance Commitment and Review (OPCR) Form, as well as in the Office Index of Success Indicators of the RRs, LTS and RDOs.
11. The reports shall be prepared as follows:
 - **Semestral Report** – Covers accomplishments from January to June.
 - **Annual Report** – Encompasses accomplishments from January to December.

12. Any concerns or issues arising from a particular Operational KPI, such as its implementation, monitoring, evaluation, and the reporting process, shall be referred and answered by the designated MO.
13. The Operational KPIs specified in this Order shall be adopted in CY 2025.

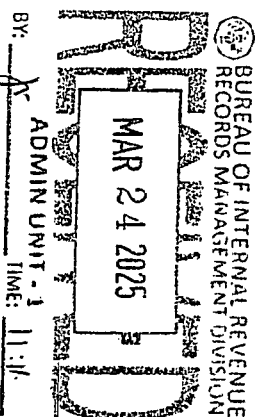
III. GUIDELINES AND PROCEDURES

The following are the guidelines and procedures for the preparation and submission of the accomplishment reports:

1. LTSNOADs/LTDs Cebu and Davao/ELTFOD/RDOs/Regional Divisions shall:
 - Prepare the first semester and annual Accomplishment Report for each applicable Operational KPI using the prescribed format in **Annex B**.
 - Ensure the accuracy of data prior to submission of the Accomplishment Report to the Regional Director or ACIR-LTS.
2. ACIR-LTS/Regional Director shall:
 - Consolidate the Accomplishment Reports per KPI using the prescribed format in **Annex C**.
 - Validate the accuracy and completeness of the data prior to submission of the Accomplishment Report to the concerned MO.
3. The MO/ACIR shall:
 - Monitor the timely submission of the Accomplishment Report by all Regional Directors and ACIR-LTS.
 - Prepare the Semestral (January to June) and Annual (January to December) Evaluation Report for each KPI using **Annex D**. The details include:
 - Score per KPI of LTS, RRs, RDOs, LTSNOADs, LTD Cebu and Davao, ELTFOD, LTCED and LTSVATAU.
 - Ensure the completeness and accuracy of the Accomplishment Report received from RRs and LTS.
 - Submit the Evaluation Report per KPI to the ACIR-Planning and Management Service (PMS), Attention: Planning and Programming Division (PPD).
4. PMS/PPD shall:
 - Monitor the compliance of concerned MO/ACIR regarding the submission of KPI Evaluation Report.
 - Prepare the Evaluation Report containing the overall ratings of LTS, RRs, and RDOs using the prescribed format in **Annex E**. Said report will be submitted to the Commissioner of Internal Revenue (CIR), with copies furnished to all Deputy Commissioners of Internal Revenue (DCIRs).
 - Prepares the ranking of offices based on the overall KPI score.
 - Identifies the top and bottom performers among RRs and RDOs.

Below is the timeline for the submission of the Accomplishment and Evaluation Reports:

Report	Submitted By	Submitted To	Due Date of Submission
Accomplishment Report per Operational KPI (Annex B)	Chief, Regional Divisions and RDOs	Regional Director concerned	Semestral Report: On or before July 25
	Chiefs, LTSNODs, LTDs Cebu and Davao, LTSVATAU	ACIR-LTS	Annual Report: On or before January 25 of the following year



Report	Submitted By	Submitted To	Due Date of Submission
Consolidated Accomplishment Report on KPI (Annex C)	Regional Directors and ACIR-LTS	Measure Owner Concerned (ACIRs)	Semestral Report: On or before July 30 Annual Report: On or before January 31 of the following year
Evaluation Report on KPI (Annex D)	Measure Owners Concerned (ACIRs)	ACIR-PMS Attention: Chief, PPD	Semestral Report: On or before August 25 Annual Report: On or before February 25 of the following year
Consolidated Evaluation Report on KPIs (Annex E)	ACIR-PMS Thru: PPD	CIR All DCIRs	Semestral Report: On or before Sept. 25 Annual Report: On or before March 25 of the following year

IV. REPEALING CLAUSE

This Order supersedes Revenue Memorandum Order Nos. 24-2024, 30-2024, and any other issuances or portions thereof inconsistent herewith.

V. EFFECTIVITY

This Order takes effect immediately until there are amendments/revisions/recommendations.



ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

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