New Accreditation Demo

Guideline for Accreditation Demo (FROM EXPERIENCE IN PREVIOUS DEMOS)

I. On-line application

The first step is to register on eAccReg System of BIR on this link for application of accreditation demo. After the successful registration, necessary requirements have to be submitted to be qualified for accreditation demo.

II. Submission of Requirements

Here is the list of requirements to be submitted for request of demo.

For Documentary Requirements:
You can find some of the documents here.

0. Hardcopy of the Company Profile (with target clients and every type of POS)
1. Proof of Online Application via Electronic Accreditation and Registration (eAccReg) System
2. Revised Sworn Statement (Annex "B") in accordance with the pro-forma per "Annex A" of Revenue Memorandum Order (RMO) No. 10-2005 and must reflect the additional information:
   - Taxpayer-applicant's Name, Detailed Business Address and "VAT / Non-VAT REG TIN"
   - Complete Software Name and Version No. with Release No./Date
   - That the current POS Software Name and Version No./Release No./Release Date is intended for <insert industry>
   - Indicate whether the application is stand-alone, global, with server-consolidator and/or decentralized
   - Maximum accumulating sales capacity (minimum of twelve digits including the digits after the decimal)
   - Reset Counter Number
   - That the folders containing system files and database is locked and cannot be deleted. There will always be a security that the data will not be deleted upon deployment
   - That all reports and accounting records are compliant with the 10-year retention period pursuant to Revenue Regulation No. 5-2014
   - That the company will assist BIR personnel in case of Tax Audit / Investigation / Verification and Tax Mapping Operations with the taxpayer-user
3. Duly accomplished and signed Functional and Technical Evaluation Checklist (Annex "C")
4. Screenshot of the Software Name & Version No. reflected on the Log-In Screen, Home Screen and Splash Screen (if applicable)
5. Screenshot of the Online/Offline Indicator
6. User/Security Access Matrix (user permissions)
7. Narrative Back-up Procedure and Disaster Recovery Plan (DRP)
8. Process Flowchart for each POS
9. System Flowchart for each POS

10. Product brochure
11. User's manual
12. Photocopy of Certificate of Registration
13. Latest BIR form payment 0605 (Annual Registration Fee for business)

For Receipts / Invoices:

0. All principal receipts/invoices should be in compliance with RR No. 10-2015, as amended by RR No. 16-2018, and must reflect the additional information:
    - Registered Name of the taxpayer-user
    - Detailed business address where such SI/or shall be issued/located
    - VAT (or Non-VAT) REG. TIN with 5-digit branch code, to wit "VAT REG. TIN 000-000-000-00000"
    - Machine Identification Number (MIN)
    - Serial Number (SN)
    - Business Style, if any
    - Indicate "SALES INVOICE" (for sale of goods) or "OFFICIAL RECEIPT" (for services rendered) prominently shown after the header
    - Sales Invoice No./SI No. or Official Receipt No./OR No. (minimum of 6-running digits)
    - Date and Time of Transaction
    - Description of Item/Service, quantity, unit cost and total cost
    - Must follow the format for the breakdown of sales:
        - VATable Sales
        - VAT Amount
        - VAT Exempt Sales
        - Zero-Rated Sales
    - Provision for the Name, Address, TIN, and Business Style of the buyer
    - The following information shall also be printed at the bottom portion/footer of the receipt:
        - Software Supplier's Name, Detailed Business Address and "VAT (or 'Non-VAT', whichever is applicable) REG TIN";
        - Accreditation No., "Date Issued: mm/dd/yyyy" and "Valid Until: mm/dd/yyyy";
        - Permit To Use (PTU) No., "Date Issued: mm/dd/yyyy" and "Valid Until "mm/dd/yyyy";
        - On Principal Invoices/Receipts: Must have the phrase "**THIS INVOICE** (for sale of goods) or **RECEIPT** (for services rendered) **SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE**";
        - On Supplementary Invoices/Receipts: Must have the phrases "**THIS DOCUMENT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE**" and "**THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAX** " in bold letters (bottom portion);
1. Indicate the word "REPRINT" on the succeeding copies to be printed after the Original SI/OR is printed -- "SI No." / "OR No." should not increment every time SI/OR is reprinted

2. Provision for the Classification and Rate of Discount (Regular (15%), SC (20%), PWD (5%), etc.)
3. For transactions with Senior Citizen (SC)/PWD Discounts and Diplomat Transactions:
    - Customer Name, Address, "OSCA/SC ID No." or "PWD ID No." or "Diplomat ID", TIN and Signature
    - Sample of separate transaction with 5% and 20% SC and PWD Discounts
    - Should be capable of generating "Customer Copy" and "Accounting (or 'Store') Copy"
4. For Adjustment to Sales Transaction, the following must be taken into consideration:
    - Title of the report should be shown prominently after the header -- "VOID" / "RETURN/EXCHANGE"
    - Must have a unique sequential number -- SI/OR No. should not advance by 1 or No new SI/OR No. should be issued/generated
    - Reflect the "Ref. SI/OR No."
    - Positive values of the original transaction should be presented in negative (-) form
    - **"THIS DOCUMENT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE"** and **"THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAX"**
5. Sample invoices/receipts with different types of transactions [e.g. Regular, with Discounts (SC, PWD, Regular, Promo, Employee, etc.) different modes and multiple modes of payment, adjustment to sales, etc.] including X-Reading and Z-Reading for two (2) business days reflecting the amendments in compliance with the abovementioned comments;

For Reports / Logs:

0. On the X-Reading (Cashier's Accountability Report) and Z-Reading (End-of-Day Report) the following should be reflected:
    - Title of the Report: "X-Reading" or "Z-Reading", whichever is applicable
    - "Beginning SI/OR No." and "Ending SI/OR No."
    - "Beginning Balance" and "Ending Balance"
    - Summary of transactions, discounts, mode of payment, adjustments (beginning balance and ending balance, beginning transaction no. and ending transaction no.), etc.
    - Additional on X-Reading, reflect the Collector/Cashier's Name
    - Additional on Z-Reading, reflect the following:
        - Reset Counter Number, if resettable, or "Non-Resettable"
        - "Z-counter" that advances by 1 every time a Z-Reading id generated (should not increment on reprint)
        - "Accumulated Grand Total" at the bottom-most portion
1. The header of X-Reading and Z-Reading should be aligned with the header of the SI/OR
2. Corresponding e-journal in .txt file format (must be the replica of all transactions, SI/OR including all Void/Refund/Return transactions, X-reading,

Z-reading Reports, etc.)
3. Back-end Report (BIR Sales Summary Report) (Annex "D")
4. Sample SC / PWD Report containing the following:
    - Name
    - OSCA/SC ID or PWD ID
    - Gross Sales
    - Sales Discount Granted
    - Date
    - 'SI' / 'OR' No.
5. Audit Trail Report (Activity Log) reflecting the following:
    - Date and Time stamp
    - Username / ID
    - Activity performed
    - Values of the date involved in the activity(ies)

III. Request Schedule of Demo

The company representative will submit the requirements at BIR National. After submitting the requirements, he/she can now request a schedule for accreditation demo also at BIR National.

IV. During Demo

A. Introduction of the company

The company representatives will first fill up the provider attendance and then, setup the demo equipment and materials. After that, the company profile will be presented along with every type of POS that the representatives will demonstrate to BIR.

B. Items to demonstrate

- Log in
- Main form menu
- Different types of transaction with realistic products (types of transaction are listed below for each POS)
- Checking of receipts per type of transaction
- Void and return process
- X reading, Y reading checking
- End of day, Z reading checking
- BIR Reports checking, details based on reading for summary and or for detailed

Here are the types of transaction that can be asked to demo by BIR:

For Retail POS:

- Regular transaction using cash payment
- Regular transaction using credit card payment

- Transaction with senior discount 20% using cash payment
- Transaction with senior discount 5% using cash payment
- Transaction with PWD discount 20% using cash payment
- Transaction with senior discount 5% and 20% using cash payment
- Transaction with senior discount 5% and 20% with VAT and non-VAT product (20% senior discount) using cash payment
- Zero Rated transaction using cash payment

For Fast Food / Fine Dining POS:

- Regular transaction with vatable product paid with cash
- Regular transaction paid with credit card
- Regular transaction (no specific instruction. just to be voided, later)
- Senior transaction with 1 guest and 1 senior paid with cash
- Senior transaction with non-senior guest, 5 guests, 2 senior count; paid with cash
- Void transaction number 3
- Senior transaction with 1 guest and 1 senior using cash payment

C. List of comments / questions

Here are some of the comments and questions that can be asked by BIR during demo:

- Provide screenshot of the log in and company profile
- Senior citizens and PWD have the accounting copies of the sales invoice/official receipt
- Senior citizens who will avail of discount can present any ID and not necessarily the SC card
- If the item was returned, can the amount paid be returned back? What happens in POS?
    - Possible for cash transactions only
- No vat on purchase on medicines on hypertension/diabetic persons however, sc/pwd can still enjoy vat exemption on all medicines
    - VAT exempt products regardless of customer, either senior or not, especially hypertension/diabetic persons
- Using credit card sale with return of item, how it is reported?
    - Software is not capable of adjusting return transactions using credit card
- eJournal must include x & z readings
- If possible, prepare sales report reported to dump on a monthly basis
- BIR Summary Sales Report -- data on each column were erroneously recorded particularly grand accumulated sales beginning and ending
- Provision for eSales Reporting
- Subject to another demo (if there are still issues that need to comply to BIR)
- Submit screenshot on audit trail report/activity
- Delipos -- sample of receipt includes service charge with vat however subsequent transaction OR#6 service charge will no longer be subjected to vat

After the demo, the representatives will sign on the attendance that is also in the minutes of meeting.

When the demo was approved by BIR, the following document requirements should be submitted:

- Softcopies of e-journals and logs of every POS presented in the demo (should be saved in a CD)
- For each type of POS, printed copies of the following:
  - Summary sales report of transactions created during demo
  - Detailed sales report of transactions created during demo
  - E-sales report of transactions created during demo

V. Follow up of certificate of accreditation

When all the requirements are completely submitted, the only thing left to do is to obtain the certificate of accreditation.

This is the guideline to follow, as of February 2020.

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