

Coming soon

Second of three parts



Joel L. Tan-Torres
DEBIT CREDIT

The year 2016 is about to end and so many developments in our accountancy profession are arising and will soon come upon us.

Accountants in commerce and industry should have already been accredited by the Board of Accountancy (“BoA”) by now as compilers of Financial Statements as they prepare to implement the BoA measure requiring the submission of the Certificate of Compilation Services in the Preparation of FS (“the Certificate”) prescribed in BoA Resolution 3-2016, and circularized in BIR Revenue Memorandum Circular 21-2016 and 36-2016. The implementation of this requirement, including the mandatory attachment of this Certificate in the 2016 financial statements and annual income tax returns that will be filed with the BIR for tax filing period in 2017. This measure requiring the Certified Public Accountants of firms filing tax returns to sign the Certificate will enhance the accountability of the preparers of the FS and tax returns. With this increased accountability, the reliability of the FS and tax returns are expected to improve resulting in

The ASEAN Mutual Recognition Arrangement (MRA) on Accountancy Services was signed last November 2014 by all ASEAN member states. This MRA is intended to provide mobility of accountants in the ASEAN where there will be minimal restrictions imposed on accountants working in the various countries in the region. Filipino CPAs will be able to take advantage of the demand for accountants in Singapore, Malaysia, and the other ASEAN member states and consider employment in these countries. The Philippines has organized a Coordinating Committee for the MRA implementation which will soon be releasing the guidelines on how to become ASEAN Chartered Professional Accountants.

Congress will soon be conducting public hearings for the revisions to the Republic Act No. 9298 (Accountancy Law). The Accountancy Law was passed in 2004. With the many global and local developments arising in the profession, there is a need for revisions in the law. The revisions will dwell on six main areas of Structural changes; definition of the mandate of the Accountancy Regulatory Office and BoA; clarification of the practice of Accountancy; revisions in the Accountancy examination; and, provisions on penalties and sanctions.

With these and much more developments forthcoming, we can expect a very vibrant accountancy landscape in the near future.

Chairman Joel L. Tan-Torres is the chairman of the Professional Regulatory Board of Accountancy. He is a Certified Public Accountant who placed No. 1 in the May 1979 CPA Board Examinations. He is concurrently a tax partner of Reyes Tacandong & Co., CPAs. He was the former Commissioner of the Bureau of Internal Revenue from 2009 to 2010.

This column accepts contributions from accountants, especially articles that are of interest to the accountancy profession, in particular, and to the business community, in general. These can be e-mailed to boa.secretariat@gmail.com