

**REVENUE REGULATIONS NO. 12-99** issued September 14, 1999 implements the provisions of the Tax Code of 1997 relative to the rules on assessment of national internal revenue taxes, fees and charges, as well as provides the rules for the extra-judicial settlement of a taxpayer's criminal violation of the said Code or any of its implementing Regulations through payment of a suggested compromise penalty. As a general principle, in case the tax due from the taxpayer is paid on a partial or installment basis, the interest on the deficiency tax or on the delinquency tax liability of the taxpayer will be imposed from due date of the tax until full payment thereof. The interest will be computed based on the diminishing balance of the tax, inclusive of interests.