

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

February 22, 2010

REVENUE MEMORANDUM CIRCULAR NO. 13-2010

**SUBJECT: Publishing the full text of Administrative Order No. 277 entitled
"Creating an Independent Committee to Review, Assess and
Evaluate All the Important Smuggling and Tax Evasion Cases
Handled by the Bureau of Internal Revenue and the Bureau of
Customs"**

TO : All Revenue Officials, Employees and Others Concerned

For the information and guidance of all internal revenue officers, employees and others concerned, quoted hereunder is the full text of Administrative Order No. 277 issued by the President of the Republic of the Philippines on January 29, 2010.

"ADMINISTRATIVE ORDER NO. 277"

**CREATING AN INDEPENDENT COMMITTEE TO REVIEW, ASSESS AND
EVALUATE ALL THE IMPORTANT SMUGGLING AND TAX EVASION
CASES HANDLED BY THE BUREAU OF INTERNAL REVENUE AND
THE BUREAU OF CUSTOMS**

WHEREAS, in line with the efforts of the government to continually undertake measures to enhance revenue collections, there is a need to assess the success rate of the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BoC) in the prosecution of smuggling and tax evasion cases, and to establish mechanisms for improvement;

WHEREAS, the President has the continuing authority to reorganize the Office of the President pursuant to Executive Order No. 292, as amended (Revised Administrative Code);

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me under the Constitution and existing laws, do hereby order:

Section 1. *Creation of a Review Committee on Smuggling and Tax Evasion Cases.* A Review Committee on Smuggling and Tax Evasion Cases is hereby created under the Office of the President which shall review, assess and evaluate all the important smuggling and tax evasion cases handled by the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BoC) and make appropriate recommendations to improve the success rate in the prosecution, resolution and/or disposition of these cases.

Section 2. *Composition.* The Committee shall be composed of a retired member of the judiciary and a representative each from the private sector and the media.

Section 3. *Functions.* The Committee shall perform the following functions:

- a. Review, evaluate and assess all important smuggling and tax evasion cases handled by the BIR and BoC which resulted in the dismissal, or to a decision, resolution or judgment which is unfavourable to the government;
- b. Determine causes of the dismissal or rendition of unfavorable decision, resolution or judgment both at the administrative and judicial levels;
- c. Conduct an inventory of all pending smuggling and tax evasion cases and identify priority cases for intensified prosecution or for immediate disposition/resolution;
- d. Upon review and evaluation of the aforementioned cases, formulate recommendations to further improve the success rate of the BIR and BoC in the prosecution of smuggling and tax evasion cases; and
- e. Discharge such other functions that are necessary to effectively and efficiently achieve its mandate.

Section 4. *Reportorial Requirement.* The Committee shall prepare and submit to the President, through the Executive Secretary, within ninety (90) days from the appointment of at least three (3) members a report containing its findings and recommendations. Upon submission of its report, the Committee shall cease to exist unless otherwise directed by the President.

Section 5. *Cooperation and Support of Concerned Agencies.* The Department of Justice, Department of Finance, BIR, BoC and all other concerned offices are hereby enjoined to extend such assistance and cooperation as the Committee may need in the discharge of its functions, including the submission of all pertinent documents requested and/or required by the Committee.

Section 6. *Secretariat.* – The BIR and BoC shall provide secretariat support to the Committee.

Section 7. *Funding.* – The Office of the President shall provide the funds for the operation of the Committee.

Section 8. *Repealing Clause.* All other orders, issuances, rules and regulations or parts thereof which are inconsistent with this Administrative Order are hereby repealed or modified accordingly.

Section 9. This Administrative Order shall take effect immediately.

DONE in the City of Manila, this **29th** day of January in the year of Our Lord, two thousand and ten.

(Sgd.) **H.E. GLORIA MACAPAGAL-ARROYO**

By the President:

(Sgd.) **EDUARDO R. ERMITA**
Executive Secretary”

All revenue officials and employees are enjoined to give this Circular as wide a publicity as possible.

(Original Signed)
JOEL L. TAN-TORRES
Commissioner of Internal Revenue

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