

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

August 25, 2017

**REVENUE MEMORANDUM ORDER NO. 31-2017**

**SUBJECT:** Amendments to Revenue Memorandum Order No. 38-2009 dated October 26, 2009 – Adoption of the Revised Policies on the Settlement of Grievances in the Bureau of Internal Revenue

**TO :** All Internal Revenue Official and Employees

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**I. OBJECTIVES**

This Revenue Memorandum Order (RMO) is issued to amend certain provisions of RMO No. 38-2009 for the purpose of:

1. Prescribing the internal procedures to be adopted by the National Grievance Committee (NGC) in the settlement of grievances filed in the Bureau of Internal Revenue (BIR); and
2. Providing for additional policies to be adopted by the NGC.

**II. AMENDATORY PROVISIONS**

The provisions of Section VI. GRIEVANCE PROCEDURES of RMO 38-2009 are hereby amended to read as follows:

**“VI. GRIEVANCE PROCEDURES**

The procedures for seeking redress of grievances shall be as follows:

X X X

- 3. Appeal to the National/Regional Grievance Committee and/or Grievance Filed with the National Grievance Committee Directly by Employees Assigned in the National Office**

X X X

The decision of the Regional Grievance Committee (RGC) may be elevated by the aggrieved to the National Grievance Committee (NGC) by filing a notice of appeal with the RGC, copy furnished the adverse party, within five (5) days from receipt of the RGC's decision. The RGC shall within ten (10) days from receipt of a notice of appeal elevate

decision. The RGC shall within ten (10) days from receipt of a notice of appeal elevate the records of the case, together with a copy of the decision, to the Personnel Division (PD), National Office. The PD shall serve as the Secretariat of the NGC.

In the conduct of investigation and hearing by the NGC, the procedures prescribed herein shall be followed commencing from receipt of the written grievance / records of the case from the RGC.

For grievances of employees assigned in the National Office, the grievance complaint may be filed directly with the NGC, copy furnished the respondent.

- 3.1 The written grievance (Annex "A" of RMO No. 38-2009), together with the RGC decision being appealed, if applicable, shall be submitted to the NGC through the Secretariat (PD) as prescribed under RMO No. 38-2009.
- 3.2 The Secretariat shall receive and log all written grievances/appealed decisions and assign a corresponding case number using the following format:

NGC-NO-2016-00001

Where:

- a. NGC represents the National Grievance Committee;
- b. NO (or RR\_) represents the National Office, for complaints filed by employees in the National Office, or RR\_\_ for the Revenue Region from which the appealed decision originated;
- c. 2016 represents the year when the grievance / appeal was filed; and
- d. 00001 represents the sequential number of the case appealed/filed during the year.

For example, employee A appealed the decision rendered by the RGC of Revenue Region No. 5 with the Secretariat of the NGC on May 15, 2016 and A's appeal is the second (2<sup>nd</sup>) case filed with the NGC for the year 2016. In this case, the Secretariat shall stamp/write the corresponding case number on the upper, right hand corner portion of the complaint/appealed decision as follows:

NGC-RR5-2016-00002

- 3.3 The Secretariat shall keep track of, and monitor, the progress of all cases filed with the NGC.
- 3.4 The party against whom the grievance was filed, herein referred to as the respondent, shall have ten (10) days from receipt of the complaint to file his answer / comment, copy furnished the aggrieved party.

3.5 The Secretariat shall schedule the initial hearing within ten (10) working days from receipt of the respondent's answer. In case no answer is filed by the respondent, the initial hearing shall be scheduled and held within ten (10) days from the time the answer becomes due.

3.6 Both the complainant and respondent shall be afforded the opportunity to be heard.

3.7 The Notice of Hearing shall state the date, time and venue of the hearing. Unless notice is given in open session by the NGC, the parties as well as the members of the NGC shall be notified at least five (5) working days before the scheduled date of hearing.

The Secretariat shall attach a copy of the complaint / appealed decision and the answer to the initial Notice of Hearing to be given to the members of the NGC.

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**6.0 The National Grievance Committee shall observe the following basic procedures, in addition to its internal rules:**

6.1 Each hearing shall commence with a statement of the case number, the parties involved, and the nature of the grievance as contained in the complaint / appeal.

6.2 The initial hearing shall be reserved for possible amicable settlement of the grievance, simplification of issues, marking of documentary evidence and judicial affidavits, and other matters proper for preliminary conference.

6.3 The aggrieved shall first be heard by the NGC. The complainant shall state his / her case in detail and introduce documents in support of his / her allegation/s. He / she may also call a witness/es to substantiate his / her complaint. In presenting a witness/es, the parties shall observe and comply with the Judicial Affidavit Rule of the Supreme Court.

6.4 The respondent shall be given the opportunity to present his / her position against the grievance filed against him. He / she may also present documents and witness/es to support his position.

6.5 After the presentation of testimony/ies by either party, formal offer of evidence may be made verbally or in writing and immediately ruled upon.

6.6 The complainant or the respondent or any member of the NGC may ask clarificatory questions from any of the parties or any of their witnesses.

6.7 Upon conclusion of the hearings, the complainant and the respondent shall be given the opportunity to make a final statement on their respective positions, and negotiate an amicable settlement of the case. With the assistance of the NGC members, the parties are encouraged to amicably settle their issues.

6.8 All hearings shall be conducted in a civil manner. Proper decorum shall be observed at all times. The NGC may declare a recess to pre-empt a flare-up of emotions or to break a heated discussion.

The unnecessary use of vulgar words by any person during the hearing, despite warning by the NGC, shall be a ground for referral to the Internal Investigation Division for Improper Conduct.

6.9 The parties shall submit their position papers within ten (10) days after the termination of the proceedings together with any other documents in support of their stand. The paper must state the issues raised, the points of disagreement and their position thereon.

6.10 The NGC shall deliberate on the case within ten (10) days from receipt of the position papers. If no position paper has been submitted, the NGC shall proceed with the deliberation within ten (10) days after the date when the position papers are due.

6.11 The NGC decision shall be based on the merits of the case. It shall take into consideration the position papers of the parties and oral and written evidence adduced during the proceedings.

At any stage before a decision is rendered, the NGC may still call any of the parties for any further clarification of the issues raised.

6.12 In case of amicable settlement, a judgment based on compromise shall be rendered by the NGC. A copy of the compromise agreement between the parties shall be attached to the decision.

6.13 The NGC shall resolve the case within five (5) days after the deadline for the submission of the position paper. The parties shall be given a copy of the NGC resolution / decision within ten (10) days from the time the resolution / decision was rendered.

6.14 All hearings shall be recorded and duly transcribed by the Secretariat. Transcription shall be done within five (5) days after each hearing and shall form an integral part of the case docket.

- 6.15 The NGC shall dismiss the complaint at any stage of the proceedings should it discover that the complainant has resorted to forum shopping. A written resolution to dismiss the complaint on this ground shall be issued by the NGC.
- 6.16 The proceedings shall also be terminated, by written resolution of the NGC, upon separation of any of the parties from this Bureau, or such other ground that may render the issues moot and academic. However, the NGC may reconsider, upon motion of either party, and proceed with the case until a decision on the merits is rendered on the ground that non-resolution of the issue/s will have a definite, negative effect or impact on a party's personnel record or future career.

### **III. REPEALING CLAUSE**

All other issuances inconsistent herewith are hereby modified or repealed accordingly.

### **IV. EFFECTIVITY**

This Order takes effect immediately.

(Original Signed)

**CAESAR R. DULAY**

Commissioner of Internal Revenue

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