

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

January 6, 2011

REVENUE MEMORANDUM ORDER NO. 1-2011

**SUBJECT : Prescribing the Policies, Guidelines and Procedures in the
Implementation of Decisions/Orders on Administrative Cases
Involving BIR Official/Employee**

TO : All Revenue Officials and Others Concerned

I. SCOPE

This Order covers decisions/orders issued by the BIR, Department of Finance (DOF), Civil Service Commission (CSC), Office of the Ombudsman, and other judicial, quasi-judicial and administrative bodies on administrative cases involving BIR official/employee. The decisions/orders referred in this Order are those that imposed the penalties of dismissal or suspension as well as orders of preventive suspension.

II. OBJECTIVES:

This Order is being issued to:

1. Prescribe the policies and guidelines that will govern the actions to be taken by the concerned offices of the Bureau in implementing its decisions/orders as well as of the decisions/orders of the DOF, CSC, Office of the Ombudsman, other judicial or quasi-judicial and administrative bodies on administrative cases involving BIR official/employee;
2. Protect BIR properties/equipment from unauthorized use by personnel who had been suspended/dismissed, or placed under preventive suspension, from the revenue service;
3. Prevent the unlawful/unauthorized use by revenue personnel with administrative case of their access privileges in the Bureau's Information System and ensure appropriate protection of the Bureau's resources; and,
4. To address the requirements of the DOF, CSC, Office of the Ombudsman, and other judicial, quasi-judicial and administrative bodies relative to the implementation of their decisions/orders.

III. POLICIES:

1. The Personnel Inquiry Division (PID) shall ensure that decisions/orders issued by the BIR, Department of Finance (DOF), Civil Service Commission (CSC), Office of the Ombudsman, and other judicial, quasi-judicial and administrative bodies on administrative cases involving BIR official/employee are strictly enforced and properly implemented.
2. Within five (5) days from receipt of the decisions/orders, the Bureau shall inform or notify the DOF, CSC, Office of the Ombudsman and other judicial, quasi-judicial and administrative bodies of the fact of implementation or execution of their decisions/orders.
3. To protect the interest of the Bureau, there must be proper turn-over of all properties and accountabilities under the custody of the personnel charged with an administrative offense and meted out the penalty of either suspension or dismissal from revenue service.
4. The Head of Office or the next higher revenue official of the suspended or dismissed revenue official or employee is responsible in ensuring that there is proper turnover of accountabilities of the dismissed/suspended employee.
5. If the dismissed/suspended employee is the Head of Office, *i.e.* Assistant Commissioner, Regional Director, Revenue District Officer, Division Chief, the next higher official shall notify the Office of the Commissioner of the vacancy effective upon service of the suspension or dismissal order, whether temporary or permanent, and shall recommend replacement or promotion of the next lower official.
6. Any revenue official/employee, who was suspended or dismissed, is directed, within three (3) days after receipt of the suspension/dismissal order, to:
 - a. Effect the physical turnover of all government assets from his/her custody/possession such as, vehicles, communication facilities, and all other accountable equipments and properties to his/her Head of Office. However, if the Head of Office (*e.g.* Assistant Commissioner, Regional Director, Revenue District Officer or Division Chief) is the one served with the suspension or dismissal order, he/she shall turn over to his/her Assistant or other successor who may be designated by the Commissioner. Otherwise, clearance shall not be issued and those government assets shall be physically retrieved from him/her.

Such turnover shall be witnessed by the Chief, General Services Division in the National Office or the Administrative Division in the Regional Offices or his/her representative and shall be fully documented following the guidelines and procedures prescribed under existing issuances.

- b. Effect the physical turnover of all accountable forms, records, books, manuals and other documents (*e.g.* office files, etc.) in his/her custody/possession to the concerned revenue official mentioned in the preceding item. Otherwise, clearance from his/her accountabilities shall not be issued and the accountable forms or documents shall be physically retrieved from him/her.

The suspended/dismissed official or employee shall accomplish the Turnover of Accountabilities (BIR Form 2625) in transferring his/her accountabilities.

- c. Surrender his/her BIR identification card to the Personnel Division in the National Office and Human Resource Management Unit in the Regional Office for dismissed revenue official/employee.
7. Upon receipt of the dismissal or suspension order, the suspended or dismissed revenue official or employee is prohibited from doing the following:
- a. To report to the office where he/she is assigned or any other office in the BIR except for the purpose of turning over of accountabilities;
 - b. To represent the concerned office where he/she is assigned in any meetings, conventions, seminars or other fora within or outside the BIR;
 - c. To provide or give directives or instructions through e-mail, SMS, or any other means to any of the staff in the office where he/she is assigned that will affect official matters or anything that will affect the functions of the office;
 - d. To sign any pending accountable forms, documents, communications, *etc.*, such as but not limited to the following: Payment Form (BIR Form No. 0605), Certificate Authorizing Registration (CAR), and any other communications as this is tantamount to antedating; and,
 - e. To do other acts detrimental to the revenue service.
8. To ensure appropriate protection of the Bureau's Information and Communication (ICT) systems and resources, in case the penalty is dismissal, the Information System Group, thru the Security Management Division, shall revoke the system access or account privileges of the concerned BIR official/employee. In case the penalty is suspension, or in case of preventive suspension, such system access or account privileges shall be suspended.

IV. GUIDELINES:

- 1. A decision whereby a penalty of suspension for not more than thirty (30) days is imposed shall be final, executory and unappealable.¹

¹ Sec. 37, Uniform Rules on Administrative Cases in the Civil Service (URACCS)

2. If the penalty imposed is suspension exceeding thirty (30) days, the same shall be final and executory after the lapse of the reglementary period for filing a motion for reconsideration or an appeal, and no such pleading has been filed. The filing of a motion for reconsideration within the reglementary period shall stay the execution of the decision sought to be reconsidered. However, in case of appeal and notwithstanding its pendency, the decision/order shall be executory except where the penalty is removal, in which case, the same shall be executory only after confirmation by the Secretary concerned.²
3. The decisions/orders of the Office of the Ombudsman in administrative cases shall be executed as a matter of course.³ This means that such decisions/orders are immediately executory notwithstanding motion for reconsideration or appeal.⁴
4. In case the penalty of suspension or removal is appealed, the concerned personnel shall be considered as having been under preventive suspension during the pendency of the appeal, in the event he wins the appeal. If the concerned personnel is exonerated and the administrative decision finding him guilty is reversed, he is entitled to reinstatement with full pay for the period of suspension.
5. Orders of preventive suspension are immediately executory, unless restrained by the court of competent jurisdiction.

IV. PROCEDURE

1. Upon receipt of the decisions/orders by the Records Division/Office of the Commissioner, the same shall be transmitted to the Office of the Deputy Commissioner, Legal and Inspection Group for implementation of such decisions/orders by the Personnel Inquiry Division (PID). The ODCIR-LIG shall also provide the Offices of the Deputy Commissioner, Information Systems Group, Resource Management Group and Operations Group with copies of the decisions/orders.
2. Within three (3) days from receipt of the decisions/orders, the Personnel Inquiry Division shall serve the same, including the order of preventive suspension, to the personnel/official concerned and simultaneously furnish the Head of Office where the personnel/official concerned is assigned, the Personnel Division, and the Security Management Division with copies thereof to ensure their full implementation.

² Secs. 43 & 47, URACCS

³ Sec. 7, Rule III of the Rules of Procedures of the Office of the Ombudsman, as amended; Office of the Ombudsman v. Samaniego, G.R. No. 175573, October 5, 2010

⁴ Memorandum Circular No. 1, s. of 2006, of the Office of the Ombudsman, as circularized thru RMO No. 2-2010

3. Upon receipt of the decisions/orders, the Personnel Division shall immediately inform the Accounting Division, attaching therein copies of the subject decisions/orders, to stop payment of salary of the personnel/official concerned in case the penalty is dismissal from service. In case the penalty is suspension, or in case the personnel/official concerned is placed under preventive suspension, the stoppage shall cover only the period of suspension. The Personnel Division shall maintain a copy of said decisions/orders in the concerned employee/official's BIR 201 file.
4. Similarly, upon receipt of the decisions/orders, the Office of the Deputy Commissioner, Information Systems Group, thru the Security Management Division, shall immediately revoke the system access or account privileges of the dismissed revenue official/employee or suspend the system access or account privileges in case of his/her suspension or preventive suspension.
5. The Personnel Inquiry Division shall then prepare a compliance-letter, to be approved and signed by the Deputy Commissioner, Legal and Inspection Group, informing or notifying the issuing office, body or court of the fact of the Bureau's implementation of its decisions/orders. The compliance letter, together with proof of service of the decisions/orders to the personnel/official concerned, shall be submitted by PID to the issuing office, body or court within five (5) days from the Bureau's receipt of such decisions/orders.

V. ROLES AND RESPONSIBILITIES

1. Office of the Commissioner

- a. Receive the decisions/orders by stamping and indicating the name of recipient and the date of receipt; and,
- b. Transmit the decisions/orders to the Office of the Deputy Commissioner - Legal and Inspection Group.

2. Office of the Deputy Commissioner - Legal and Inspection Group

- a. Log the received document (decisions/orders) and assign a reference number;
- b. Forward the received document (decisions/orders) to the Personnel Inquiry Division for implementation;
- c. Provide the Offices of the Deputy Commissioner, Information Systems Group, Resource Management Group and Operations Group with copies of the decisions/orders for their information; and,
- d. Approve and sign the compliance-letter prepared by the Personnel Inquiry Division addressed to the issuing office, body or court informing or notifying them about the BIR's implementation or execution of the decisions/orders.

3. Personnel Inquiry Division

- a. Log the received document (decision/resolution/order) and assign a reference number;
- b. Serve the decisions/orders, including the orders of preventive suspension, to the personnel/official concerned within three (3) days from receipt thereof, and simultaneously furnish the Head of Office where the personnel/official concerned is assigned, the Personnel Division and the Security Management Division with copies thereof;
- c. Prepare compliance-letter, to be approved and signed by the Deputy Commissioner, Legal and Inspection Group, informing or notifying the issuing office, body or court of the fact of BIR's implementation of the decisions/orders; and,
- d. Submit, within five (5) days from BIR's receipt of the decisions/orders, the duly signed compliance letter, together with proof of service of such decisions/orders to the personnel/official concerned, to the issuing office, body or court.

4. Head of Office where the dismissed/suspended revenue official or employee is assigned:

- a. Receive the copy of the decisions/orders affecting the revenue employee under his/her supervision for its implementation;
- b. Upon receipt of the copy of the decisions/orders, immediately request the Security Management Division to revoke the system access of the concerned official/employee, in case the penalty is dismissal from service, or to suspend the system access, in case the penalty is suspension or in case of preventive suspension, using BIR Form No. 0037 (Request for revocation/suspension of system access); and,
- c. Make sure that there is no disruption in the operation of the office resulting from the dismissal/suspension of the concerned revenue official/employee.

5. Personnel Division

- a. Receive copy of the decisions/orders from the Personnel Inquiry Division;
- b. Upon receipt of the copy of the decisions/orders, inform the Accounting Division to permanently or temporarily stop, as the case may be, the payment of salary of the personnel/official concerned;
- c. Immediately inform the Personnel Inquiry Division of such permanent or temporary stoppage of the payment of salary of the concerned official/employee;
- d. Maintain a copy of the decisions/orders in the BIR 201 file of the concerned revenue official/employee;

- e. Require the surrender of the BIR official identification card of the dismissed revenue official/employee; and,
- f. Update its HRIS database as well as other databases/records as to the status of employment of concerned revenue official/employee.

6. Accounting Division:

- a. Upon receipt of the notification from the Personnel Division about the dismissal/suspension or preventive suspension of the concerned official/employee, permanently or temporarily stop, as the case may be, the payment of his/her salary; and,
- b. Immediately inform the Personnel Inquiry Division of the stoppage of payment of the salary of the concerned official/employee.

7. Office of the Deputy Commissioner- Information Systems Group (Security Management Division)

- a. Upon receipt of the copy of the decisions/orders, revoke or suspend, as the case may be, the system access or account privileges granted to the concerned revenue official/employee; and,
- b. Immediately inform the Personnel Inquiry Division of the revocation or suspension of the system access or account privileges of the concerned revenue official/employee.

VI. REPEALING CLAUSE

All revenue issuances and/or any portions thereof inconsistent herewith are hereby repealed, amended, and/or modified accordingly.

VII. EFFECTIVITY

This Order takes effect immediately.

(Original Signed)
KIM S. JACINTO-HENARES
Commissioner of Internal Revenue