

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

H. B. No. 1905

HOUSE OF REPRESENTATIVES	
RECEIVED	
26 JUL 2016	
DATE:	
TIME:	4:00 PM
BY:	<i>[Signature]</i>
REGISTRATION UNIT	
BILLS AND INDEX SERVICE	

Introduced by **HONORABLE BELLAFLOR J. ANGARA-CASTILLO**

EXPLANATORY NOTE

Time and again, the Bureau of Internal Revenue (BIR) has been tasked to collect substantial revenue targets. Despite great strides in collecting more, averaging 10-percent year-on-year growth, the BIR has failed to meet its target in the last decade. Due to mounting pressure as well as the desire to maintain, if not improve the economic strides the country is currently enjoying, the BIR has put in place more stringent rules and regulation, and has been more strict in enforcing tax laws. However, the fervent effort put in by the officers and employees of the BIR has been overshadowed by allegations of corruption and dishonest practices in its ranks. The desire to collect more has resulted to taxpayers being somehow harassed just to be able to cough up the needed tax payment.

A former BIR Commissioner once said that Filipinos are, by nature, good people. Contrary to public perception, Filipino taxpayers want to comply and pay their taxes. Filipinos want to help in rebuilding the country—to make it one of the great countries in Asia. We have made vast improvements in the last few years—from the sick man of Asia, we are now tagged as Asia's rising tiger. In 2014, Philippine GDP growth rate has surpassed that of Singapore, Malaysia, Thailand, Vietnam and Indonesia, falling only behind superpower China.

Sustaining the gains of the government can not only be achieved through the strict enforcement of laws. Tax compliance and collection would further improve if we can lessen the complexity and intricacy of our tax code. Thus, to help taxpayers comply, we propose the establishment of a permanent office within the BIR, composed of knowledgeable, competent and professional employees, to answer taxpayer queries and to guide taxpayers on how to efficiently and effectively deal with their tax-related problems and concerns. By instituting a Taxpayer Assistance Service under the Office of the BIR Commissioner, it is our hope that taxpayers will be provided free and accessible professional assistance. The taxpaying public need not suffer long queues in BIR offices, wasting valuable time, just to be repeatedly told to come back due to incomplete requirements. The Taxpayer Assistance Service would render the first layer of professional tax services that every Filipino taxpayer needs and deserves.

In view of the foregoing, the passage of this bill is earnestly sought.

[Signature]
BELLAFLOR J. ANGARA-CASTILLO
Representative
Lone District, Province of Aurora

1905
H. B. No. _____

Introduced by HONORABLE BELLAFLOR J. ANGARA-CASTILLO

AN ACT
AMENDING SECTION 3 OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS
AMENDED, ESTABLISHING A TAXPAYER ASSISTANCE SERVICE IN THE BUREAU OF
INTERNAL REVENUE AND FOR OTHER PURPOSES

*Be it enacted by the Senate and the House of Representatives of the Philippines in
Congress assembled:*

SECTION 1. Section 3 of the National Internal Revenue Code of 1997, as amended is hereby further amended to read as follows:

"Section 3. *Chief Officials of the Bureau of Internal Revenue.* – The Bureau of Internal Revenue shall have a chief to be known as Commissioner of Internal Revenue, hereinafter referred to as the Commissioner and four (4) assistant chiefs to be known as Deputy Commissioner.

"TO ENSURE ADEQUATE FISCAL RESOURCES THRU PROPER COMPLIANCE TO TAX LAWS AND RULES AND REGULATIONS AND FACILITATE SIMPLE AND STRAIGHTFORWARD TAX ADMINISTRATION, A TAXPAYER ASSISTANCE SERVICE IS HEREBY ESTABLISHED UNDER THE OFFICE OF THE COMMISSIONER. THE TAXPAYER ASSISTANCE SERVICE SHALL HAVE THE FOLLOWING FUNCTIONS:

- "(A) ASSIST TAXPAYERS QUERIES AND CONCERNS RELATIVE TO COMPLIANCE TO TAX LAWS AND RULES AND REGULATIONS;
- "(B) ANSWER INQUIRIES RELATED TO PUBLIC ASSISTANCE INCLUDING TAXPAYER REGISTRATION, TAX PAYMENTS AND FILING OF TAX RETURNS;
- "(C) RECEIVE AND/OR REFER TAXPAYER COMPLAINTS, QUERIES AND CONCERNS TO OTHER OFFICES WITHIN THE BUREAU AND MONITOR THE RESOLUTION OF THE SAME;
- "(D) PREPARES LISTINGS AND STANDARD ANSWERS TO FREQUENTLY ASKED QUESTIONS OF TAXPAYERS;
- "(E) PREPARE, PUBLICIZE AND CIRCULATE POLICIES, PROGRAMS, STANDARDS, GUIDELINES AND PROCEDURES RELATIVE TO PUBLIC INFORMATION AND EDUCATION PROGRAMS ON TAXATION;
- "(F) PREPARES PRESCRIBED REPORTS FOR SUBMISSION TO OTHER CONCERNED OFFICES; AND
- "(G) PERFORM SUCH OTHER FUNCTIONS AS MAY BE ASSIGNED."

SEC. 2. *Implementing Rules and Regulations.* Within thirty (60) days from the effectivity of this law, the Secretary of Finance shall, upon the recommendation of the Commissioner of Internal Revenue, and in coordination and consultation with various stakeholders and taxpayer groups, promulgate and publish the necessary rules and regulations for the effective implementation of this Act.

1 **SEC. 3. *Separability Clause.*** If any provision of this Act is subsequently declared as invalid or
2 unconstitutional, other provisions hereof which are not affected thereby shall remain in full force
3 and effect.
4

5 **SEC. 4. *Repealing Clause.*** All laws, decrees, orders, rules and regulations, and other
6 issuances, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or
7 modified accordingly.
8

9 **SEC. 5. *Effectivity Clause.*** This Act shall take fifteen (15) days after its publication in the
10 Official Gazette or in a newspaper of general circulation
11

12 Approved.