

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

THIRTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 2404

Introduced by **REP. HERMINIO G. TEVES**

AN ACT INSTITUTING FULL TRANSPARENCY IN TAX COLLECTION

EXPLANATORY NOTE

Love of country is best shown in one's contribution to the coffers of our government without fear or shame but rather the pride of paying the correct taxes.

All tax luminaries including U.S. base IMF manifested that revenue collection in our country is only sixty percent (60%) of potential, or short by about P200.0 billion per year.

On individual income tax alone only 807,450 filed income tax return out of 4,400,000 taxable families, the bulk of tax collected is from withholding of employees.

People residing in the U.S.A. (Americans, Filipinos, Chinese) are scared of the IRS while we who resides in the Philippines take our BIR for granted.

Filipinos however, by nature is (mahiyaan) scared to be embarrass or ridiculed more especially in protecting their children in exclusive schools from embarrassment thus

Tax collection efficiently can be achieved only through transparency on tax collection on all existing tax measures such as individual income tax, corporate income tax, excise tax, value added tax, percentage tax, amusement tax stamp tax, gross receipt tax etc. by the Revenue District Office (RDO) and by the Large Taxpayers Division of the head office of the BIR.

Section 71 of the National Internal Revenue Code stipulates that the tax payments are public record's however, Section 270 and 278 mandates the BIR that tax payment is confidential and secret.

Amending through deletion of said provision on secrecy and confidentiality is necessary to minimize graft and corruption in our tax system.

This particular bill was passed in the House of Representatives in the 11th and 12th Congress but was left un-enacted by the Senate without explaining reasons for there oppositions to the bill.

It is imperative therefore, that we exercise our political will to have this measure approved.


HERMINIO G. TEVES
Representative
3rd District, Negros Oriental

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Introduced by **REP. HERMINIO G. TEVES**

**AN ACT INSTITUTING FULL TRANSPARENCY IN TAX COLLECTION,
AMENDING FOR THE PURPOSE SECTIONS 71, 270 AND 278 OF THE
NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED.**

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

SECTION 1. Section 71 of the National Revenue Code of 1997, as amended, is
hereby amended to read as follows:

"SEC.71. Disposition of Income Tax Returns, Publication of List of
Taxpayers and Filers. – After the assessment shall have been made, as provided
in this Title, the returns, together with any corrections thereof which may have
been made by the Commissioner, shall be filed in the Office of the Commissioner
and shall constitute public records. [and be open to inspection as such the order
of the President of the Philippines, under rules and regulations to be prescribed
by the Secretary of Finance, upon recommendation of the Commissioner].

"The Commissioner [may] SHALL, [in each year] ON OR BEFORE MAY 31
FOLLOWING THE CLOSE OF EACH CALENDAR YEAR, [cause to be prepared
and published in any newspaper] PREPARE AND ALLOW PUBLICATION BY ANY
PUBLISHING COMPANY AND/OR MEDIA OF GENERAL CIRCULATION the
LISTS CONTAINING THE NAMES AND, ADDRESSES ON INDIVIDUAL
TAXPAYERS AND, ON CORPORATION, PARTNERSHIP OR SOLE
PROPRIETORSHIP, TYPE OF BUSINESS [GROSS SALES/THE AMOUNT OF
TAX (income, excise, VAT, percentage etc.) PAID BY (of)

**INDIVIDUALS/CORPORATIONS WHO FILED THEIR TAX RETURNS WITH
THE BUREAU DURING THE YEAR.”**

SEC. 3. Section 270 and 278 of the National Internal Revenue Code of 1997, is hereby deleted.

SEC. 4. The Secretary of Finance shall, upon the recommendation of the Commissioner of Internal Revenue, issue the necessary rules and regulations for the effective implementation of this Act.

SEC. 5. All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with the Act are hereby repealed or modified accordingly.

SEC. 6. This Act shall take effect after fifteen (15) days from its complete publication in the Official Gazette or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved.