

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Nineteenth Congress
First Regular Session

House Bill No. **3261**



Introduced by **Representative JOEY SARTE SALCEDA**

AN ACT
ESTABLISHING AN ONLINE PORTAL FOR NATIONAL TAX TRANSPARENCY,
OTHERWISE KNOWN AS THE WHAT-YOU-SEE-IS-WHAT-YOU-GET
TAX TRANSPARENCY PORTAL

EXPLANATORY NOTE

Mandated to fill in the coffers of the government to sustain its operations, the Department of Finance is in a perpetual race against the budget deficit, which has become doubly difficult in the heels of a 60.4% debt-to-GDP ratio in 2021. Secretary of Finance Benjamin Diokno is confident and asks the private sector to trust the government, that it can manage the rising inflation, lower the debt, and raise the budget needed to finance stability and growth under the administration of President Ferdinand Marcos Jr.

While the private sector is compelled to put their trust in the government, the reputation of the primary revenue collecting agencies of the Department of Finance – the Bureau of Internal Revenue and the Bureau of Customs – obstructs this conviction. It is often said that there is no need to raise taxes if these bureaus could just fix the way they are collecting revenues.

Unknown to many, the Bureaus of Internal Revenue and Customs have continuously pursued reforms in tax administration. These bureaus particularly made headways in digitalization during the pandemic, resulting in positive revenue collections. The BIR and BOC surpassed their annual collection targets for 2021 by 0.25% or P5 billion, and by 4.70% or P29 billion, respectively. The Bureau of Internal Revenue has completed and fully implemented eight (8) projects of its digitalization, while the Bureau of Customs has implemented thirty-three (33) information technology and automated systems resulting in the automation of 91.76% or 156 out of the 170 customs processes.

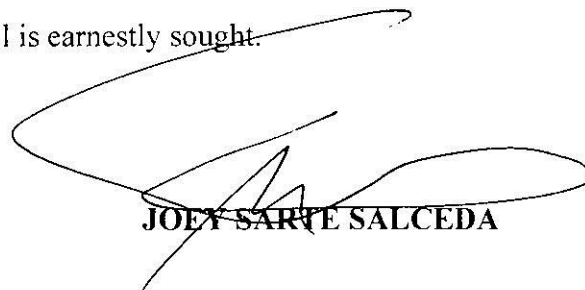
This measure aims to publicize the efforts in reforming tax administration of the Bureau of Internal Revenue and the Bureau of Customs and gain the trust of the private sector in the government, the way the Secretary of Finance has envisioned it, by creating the National Tax Transparency Portal, an online portal following the What-You-See-Is-What You-Get policy of fiscal transparency first initiated by then-Budget Secretary Diokno.

The measure also follows well-cited best practices such as the Economic Transparency Portal of the Ministry of Finance y Public Credit of Colombia¹.

Under this portal, the Bureau of Internal Revenue and the Bureau of Customs will post transactions real-time under certain aggregation parameters, to provide access to the taxpayers and the public as it ensures data privacy. The portal will allow varied stakeholders to audit the collection of the government, compute the trade and tax gaps, and conduct research work that can guide the decisions of economic managers, legislators, investors, researchers, and the public.

With the National Tax Transparency Portal, the efforts of the revenue-collecting agencies will be recognized, and trust will be incrementally gained. Transparency and accountability, the twin shields against corruption, will be enhanced. Most importantly, the information from the online portal will empower economic managers and investors alike to contribute to the nation's recovery.

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



JOEY SARTE SALCEDA

¹ <https://oecd-opsi.org/innovations/citizen-control-strategy-through-the-economic-transparency-portal-of-the-ministry-of-finance-y-public-credit-of-colombia/>

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

SECTION 1. *Short Title.* – This Act shall be known as the “What-You-See-Is-What-You-Get (WYSIWYG) Portal Act”.

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State:

(a) To promote fiscal transparency and accountability and help the government regain the trust of the people and encourage investors to do business in the country;

(b) To allow taxpayers and the public access to information on revenues and help investors formulate economic decisions:

(c) To enable third-party tax audit, help the government review, and monitor its revenue collection performance; and

(d) To empower economic managers, investors, and researchers to analyze revenue collection data to improve tax administration and reduce tax leakages.

SEC. 3. *Establishment of the National Tax Transparency Portal.* – Pursuant to its powers and functions, the Department of Finance shall establish the National Tax Transparency Portal, to be known as the What-You-See-Is-What-You-Get (WYSIWYG) Portal, as a single online database which shall reflect the real-time transactions of the Bureau of Internal Revenue and the Bureau of Customs posted under certain aggregation parameters provided under Section 5 hereof and can be accessed by the public.

SEC. 4. *Tax Transparency Division.* – To carry out the declared policy of this Act, a Tax Transparency Division shall be created under the supervision and control of the Revenue

Operations Group of the Department of Finance, or an existing office shall be assigned the duties of the division, with the corresponding adjustments in personnel size and capacity for the effective implementation of this Act.

The duties of the division shall be as follows:

- (a) Management and maintenance of the WYSIWYG portal;
- (b) Posting of aggregate collection data under certain parameters online;
- (c) Identification of systemic problems based on the data which hampers efficient tax administration, and improvement of methodology to mitigate these problems;
- (d) Reporting to the Secretary of Finance the outputs and outcomes that result from the execution of its duties;
- (e) Provision of regular reports to Congress on the performance of its duties; and
- (f) Performance of such other functions as may be required by the Secretary of Finance.

SEC. 5. *Online Data Parameters.* – The online data shall be posted in the portal using the following parameters:

- (a) Aggregated data, removing the names of individuals and corporations, and displayed in accordance with Republic Act No. 10173, otherwise known as the “Data Privacy Act of 2012”;
- (b) Transaction data of the Bureau of Internal Revenue and the Bureau of Customs, classified by the type of tax;
- (c) Transaction data of the Bureau of Internal Revenue and the Bureau of Customs, on a sectoral and per industry basis, following the Philippine Standard Industry Classification (PSIC);
- (d) Daily posting of real-time data as soon as customs duties or taxes are paid; and
- (e) Continued improvement in methodology and simplification of data.

SEC. 6. *Appropriations.* – Such amount necessary to carry out the implementation of this Act shall be sourced from the budget of the Department of Finance under the current General Appropriations Act.

SEC. 7. *Joint Congressional Oversight Committee.* – A Joint Congressional Oversight Committee shall be constituted to monitor and ensure the proper implementation of this Act. The Joint Congressional Oversight Committee shall be composed of the respective Chairpersons of the Committees on Ways and Means of the Senate and the House of Representatives and four (4) additional members from each House, one (1) of each shall be from the Minority.

SEC. 8. *Implementing rules and regulations.* – The Secretary of Finance, in coordination with the Commissioners of the Bureau of Internal Revenue and the Bureau of Customs, shall, within sixty (60) days from the effectivity of this Act, promulgate rules and regulations to implement the intent and provisions of this Act.

SEC. 9. *Separability clause.* – If any provision of this Act is declared unconstitutional, the remaining parts or provisions not affected thereby shall remain in full force and effect.

SEC. 10. *Repealing clause.* – All laws, decrees, executive orders, implementing rules and regulations, issuance, or any part thereof inconsistent with the provisions of this Act are deemed repealed, amended, or modified accordingly.

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

Approved,