

C. BUREAU OF INTERNAL REVENUE

For general administration and support, and operations, as indicated hereunder..... P10,584,635,000

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New Appropriations, by Program/Projects

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Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
General Administration and Support	P 578,719,000	P 716,910,000	P 149,899,000	P 3,631,416,000	P 5,076,944,000
Operations	2,825,174,000	2,682,487,000		30,000	5,507,691,000
MFO 1: TAX COLLECTION SERVICES	2,825,174,000	2,682,487,000		30,000	5,507,691,000
Total, Programs	3,403,893,000	3,399,397,000	149,899,000	3,631,446,000	10,584,635,000
TOTAL NEW APPROPRIATIONS	P 3,403,893,000	P 3,399,397,000	P 149,899,000	P 3,631,446,000	P 10,584,635,000

Special Provision(s)

1. **One Percent (1%) Share in Taxes on Locally-manufactured Virginia-type Cigarettes.** In addition to the amounts appropriated herein, Three Hundred Fifteen Million Four Hundred Thirty One Thousand Pesos (P315,431,000) shall be used for the purchase of materials, apparatus and equipment for the efficient enforcement of tax laws and collection of taxes sourced from one percent (1%) share in the taxes on locally-manufactured Virginia-type cigarettes in accordance with R.A. No. 5447.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the financial and physical accomplishments. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

2. **Bank Penalties.** In addition to the amounts appropriated herein, the amount of One Hundred One Million Seven Hundred Five Thousand Pesos (P101,705,000) shall be used for programs, activities and projects of the BIR to improve its tax collection sourced from penalties for delayed remittances by banks.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

3. **Tax Refund.** The amount of Eight Billion Five Hundred Million Pesos (P8,500,000,000) shall be used for the:

(a) Refund of excess or erroneous collection of value-added tax (VAT) and other internal revenue taxes in accordance with Section 229 of R.A. No. 8424;

(b) Cash conversion of valid and unexpired Tax Credit Certificates (TCCs) in accordance with Section 204 of R.A. No. 8424;

(c) Refund of input taxes attributable to zero-rated or effectively zero-rated transactions under Section 112 of R.A. No. 8424, as amended; and

(d) Monetization of VAT TCCs as part of the TCC Monetization Program.

Said amount, sourced from the current year's revenue tax collections of the BIR shall be deposited with the National Treasury and recorded as trust receipts, subject to the following: (i) COA audit for payment of tax refunds; (ii) adjustment of the report on the current year's revenue tax collections of the BIR equivalent to the tax refunds for the current year only while prior years' tax refund shall be deducted from the BIR's accumulated surplus; and (iii) reversion of any unutilized amount at the end of the year to the unappropriated surplus of the General Fund in accordance with Section 45, Chapter 5, Book VI of E.O. No. 292.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the amount of tax refunds and the recipient taxpayers. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website. (CONDITIONAL IMPLEMENTATION- President's Budget Action Message, December 21, 2015, Volume II-B, page 817, R.A. No.10717)

4. **Informer's Reward.** A reward of ten percent (10%) of the revenues, surcharges or fees recovered and/or fines or penalties imposed for violations of R.A. No. 8424 or One Million Pesos (P1,000,000) per case, whichever is lower, may be given as informer's

reward to persons instrumental in the discovery and seizure of such goods, except all public officials, whether incumbent or retired, who acquired the information in the course of the performance of their duties during their incumbency and their relatives within the sixth degree of consanguinity in accordance with Section 282 (A) of R.A. No. 8424.

Said amount, sourced from the revenues, surcharges or fees recovered and/or fines or penalties imposed shall be deposited with the National Treasury and recorded as trust receipts.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the amount of informer's reward paid and the list of beneficiaries. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

5. Fines and Penalties. Of the amounts appropriated herein for MOOE, Fifty Million Pesos (P50,000,000) shall be used to fund the requirements of the Tax Receipt Raffle Program sourced from the income generated from fines and penalties for violation of printing and issuance of official receipts.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

6. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects
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	<u>Current Operating Expenditures</u>				
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
General Administration and Support					
General Management and Supervision	P 367,134,000	P 656,642,000	P 149,899,000	P 3,631,392,000	4,805,067,000
National Capital Region (NCR)	208,539,000	348,243,000	149,798,000	3,631,392,000	4,337,972,000
Central Office	154,157,000	157,441,000	149,783,000	3,631,392,000	4,092,773,000
Revenue Regional Office V - Calocan City	11,733,000	12,778,000	5,000		24,516,000
Revenue Regional Office VI - Manila	16,017,000	56,180,000			72,197,000
Revenue Regional Office VII - Quezon City	16,061,000	37,937,000	5,000		54,003,000
Revenue Regional Office VIII - Makati City	10,571,000	83,907,000	5,000		94,483,000
Region I - Ilocos	8,879,000	11,787,000	10,000		20,676,000
Revenue Regional Office I - Calasiao, Pangasinan	8,879,000	11,787,000	10,000		20,676,000

Cordillera Administrative Region (CAR)	12,887,000	11,227,000	5,000	24,119,000
Revenue Regional Office II - Cordillera Administrative Region	12,887,000	11,227,000	5,000	24,119,000
Region II - Cagayan Valley	10,764,000	18,777,000	10,000	29,551,000
Revenue Regional Office III - Tuguegarao, Cagayan	10,764,000	18,777,000	10,000	29,551,000
Region III - Central Luzon	12,913,000	42,707,000	20,000	55,640,000
Revenue Regional Office IV - San Fernando, Pampanga	12,913,000	42,707,000	20,000	55,640,000
Region IVA - CALABARZON	12,072,000	27,519,000	5,000	39,596,000
Revenue Regional Office IX - San Pablo City	12,072,000	27,519,000	5,000	39,596,000
Region V - Bicol	11,126,000	9,083,000	5,000	20,214,000
Revenue Regional Office X - Legaspi City	11,126,000	9,083,000	5,000	20,214,000
Region VI - Western Visayas	17,889,000	55,034,000	10,000	72,933,000
Revenue Regional Office XI - Iloilo City	7,086,000	22,310,000	5,000	29,401,000
Revenue Regional Office XII - Bacolod City	10,803,000	32,724,000	5,000	43,532,000
Region VII - Central Visayas	13,171,000	34,278,000	5,000	47,454,000
Revenue Regional Office XIII - Cebu City	13,171,000	34,278,000	5,000	47,454,000
Region VIII - Eastern Visayas	10,400,000	13,903,000	5,000	24,308,000
Revenue Regional Office XIV - Tacloban City	10,400,000	13,903,000	5,000	24,308,000
Region IX - Zamboanga Peninsula	9,439,000	21,026,000		30,465,000
Revenue Regional Office XV - Zamboanga City	9,439,000	21,026,000		30,465,000
Region X - Northern Mindanao	9,587,000	13,589,000	8,000	23,184,000
Revenue Regional Office XVI - Cagayan de Oro City	9,587,000	13,589,000	8,000	23,184,000
Region XI - Davao	7,422,000	19,643,000	10,000	27,075,000
Revenue Regional Office XIX - Davao City	7,422,000	19,643,000	10,000	27,075,000
Region XII - SOCCSKSARGEN	12,288,000	20,245,000	8,000	32,541,000

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Revenue Regional Office XVIII - Koronadal City	12,288,000	20,245,000	8,000	32,541,000
Region XIII - CARAGA	9,758,000	9,581,000		19,339,000
Revenue Regional Office XVII - Butuan City	9,758,000	9,581,000		19,339,000
Human Resource Development	35,709,000	17,703,000	6,000	53,418,000
National Capital Region (NCR)	35,709,000	17,703,000	6,000	53,418,000
Central Office	35,709,000	17,703,000	6,000	53,418,000
Planning and Policy Formulation	16,995,000	6,779,000	6,000	23,780,000
National Capital Region (NCR)	16,995,000	6,779,000	6,000	23,780,000
Central Office	16,995,000	6,779,000	6,000	23,780,000
Investigation and prosecution of administrative cases filed against revenue personnel and the security program	8,743,000	34,242,000	6,000	42,991,000
National Capital Region (NCR)	8,743,000	34,242,000	6,000	42,991,000
Central Office	8,743,000	34,242,000	6,000	42,991,000
Collation, analysis, monitoring, generation and development of internal revenue statistics	7,017,000	1,544,000	6,000	8,567,000
National Capital Region (NCR)	7,017,000	1,544,000	6,000	8,567,000
Central Office	7,017,000	1,544,000	6,000	8,567,000
Administration of Personnel Benefits	143,121,000			143,121,000
National Capital Region (NCR)	143,121,000			143,121,000
Central Office	143,121,000			143,121,000
Sub-total, General Administration and Support	578,719,000	716,910,000	149,899,000	3,631,416,000
Operations				
MFO 1: TAX COLLECTION SERVICES	2,825,174,000	2,682,487,000	30,000	5,507,691,000
Formulation, coordination, monitoring and evaluation of collection and assessment services, including formulation of procedures and policies on tax fraud investigations and intelligence operations	102,486,000	35,547,000	6,000	138,039,000
National Capital Region (NCR)	102,486,000	35,547,000	6,000	138,039,000

Central Office	102,486,000	35,547,000	6,000	138,039,000
Issuance of tax rulings, decisions on appealed cases and assistance in the prosecution of civil and criminal cases	69,889,000	21,669,000	6,000	91,564,000
National Capital Region (NCR)	69,889,000	21,669,000	6,000	91,564,000
Central Office	69,889,000	21,669,000	6,000	91,564,000
Implementation of the tax information and education program	26,649,000	64,072,000	6,000	90,727,000
National Capital Region (NCR)	26,649,000	64,072,000	6,000	90,727,000
Central Office	26,649,000	64,072,000	6,000	90,727,000
Enforcement of Internal Revenue Laws	2,483,730,000	1,448,727,000	6,000	3,932,463,000
National Capital Region (NCR)	1,024,816,000	782,507,000	6,000	1,807,329,000
Central Office	257,304,000	304,410,000	6,000	561,720,000
Revenue Regional Office V - Caloocan City	119,948,000	83,923,000		203,871,000
Revenue Regional Office VI - Manila	192,745,000	59,353,000		252,098,000
Revenue Regional Office VII - Quezon City	259,995,000	212,210,000		472,205,000
Revenue Regional Office VIII - Makati City	194,824,000	122,611,000		317,435,000
Region I - Ilocos	114,096,000	51,858,000		165,954,000
Revenue Regional Office I - Calasiao, Pangasinan	114,096,000	51,858,000		165,954,000
Cordillera Administrative Region (CAR)	77,204,000	28,625,000		105,829,000
Revenue Regional Office II - Cordillera Administrative Region	77,204,000	28,625,000		105,829,000
Region II - Cagayan Valley	66,113,000	38,879,000		104,992,000
Revenue Regional Office III - Tuguegarao, Cagayan	66,113,000	38,879,000		104,992,000
Region III - Central Luzon	128,771,000	84,906,000		213,677,000
Revenue Regional Office IV - San Fernando, Pampanga	128,771,000	84,906,000		213,677,000

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Region IVA - CALABARZON	185,431,000	82,259,000	267,690,000
Revenue Regional Office IX - San Pablo City	185,431,000	82,259,000	267,690,000
Region V - Bicol	93,729,000	37,931,000	131,660,000
Revenue Regional Office X - Legaspi City	93,729,000	37,931,000	131,660,000
Region VI - Western Visayas	168,526,000	75,716,000	244,242,000
Revenue Regional Office XI - Iloilo City	92,546,000	29,449,000	121,995,000
Revenue Regional Office XII - Bacolod City	75,980,000	46,267,000	122,247,000
Region VII - Central Visayas	118,249,000	36,620,000	154,869,000
Revenue Regional Office XIII - Cebu City	118,249,000	36,620,000	154,869,000
Region VIII - Eastern Visayas	95,780,000	46,223,000	142,003,000
Revenue Regional Office XIV - Tacloban City	95,780,000	46,223,000	142,003,000
Region IX - Zamboanga Peninsula	80,231,000	29,041,000	109,272,000
Revenue Regional Office XV - Zamboanga City	80,231,000	29,041,000	109,272,000
Region X - Northern Mindanao	105,515,000	50,131,000	155,646,000
Revenue Regional Office XVI - Cagayan de Oro City	105,515,000	50,131,000	155,646,000
Region XI - Davao	79,072,000	49,132,000	128,204,000
Revenue Regional Office XIX - Davao City	79,072,000	49,132,000	128,204,000
Region XII - SOCCSKSARGEN	86,406,000	31,057,000	117,463,000
Revenue Regional Office XVIII - Koronadal City	86,406,000	31,057,000	117,463,000
Region XIII - CARAGA	59,791,000	23,842,000	83,633,000
Revenue Regional Office XVII - Butuan City	59,791,000	23,842,000	83,633,000
Revenue Information Systems Development and Maintenance	142,420,000	1,112,472,000	6,000 1,254,898,000
National Capital Region (NCR)	142,420,000	1,112,472,000	6,000 1,254,898,000
Central Office	142,420,000	1,112,472,000	6,000 1,254,898,000

Sub-total, Operations	2,825,174,000	2,682,487,000		30,000	5,507,691,000
Total Programs and Activities	3,403,893,000	3,399,397,000	149,899,000	3,631,446,000	10,584,635,000
TOTAL NEW APPROPRIATIONS	P 3,403,893,000	P 3,399,397,000	P 149,899,000	P 3,631,446,000	P 10,584,635,000

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

A. Programs/Locally-Funded Project(s)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

2,572,077

Total Permanent Positions

2,572,077

Other Compensation Common to All

Personnel Economic Relief Allowance

224,256

Representation Allowance

15,540

Transportation Allowance

15,540

Clothing and Uniform Allowance

46,720

Overtime Pay

1,000

Year End Bonus

214,335

Cash Gift

46,720

Step Increment

13,322

Productivity Enhancement Incentive

46,720

Total Other Compensation Common to All

624,153

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

161

Other Personnel Benefits

13,965

Total Other Compensation for Specific Groups

14,126

Other Benefits

PAG-IBIG Contributions

11,215

PhilHealth Contributions

27,986

Employees Compensation Insurance Premiums

11,215

Retirement Gratuity

10,721

Terminal Leave

132,400

Total Other Benefits

193,537

Total Personnel Services

3,403,893

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Maintenance and Other Operating Expenses	
Travelling Expenses	335,732
Training and Scholarship Expenses	47,145
Supplies and Materials Expenses	591,527
Utility Expenses	354,147
Communication Expenses	173,590
Confidential, Intelligence and Extraordinary Expenses	
Confidential Expenses	10,000
Extraordinary and Miscellaneous Expenses	3,919
Professional Services	143,439
General Services	767,863
Repairs and Maintenance	125,123
Taxes, Insurance Premiums and Other Fees	27,025
Other Maintenance and Operating Expenses	
Advertising Expenses	74,509
Printing and Publication Expenses	7,001
Transportation and Delivery Expenses	8,566
Rent/Lease Expenses	652,288
Membership Dues and Contributions to Organizations	408
Subscription Expenses	61,183
Other Maintenance and Operating Expenses	15,932

Total Maintenance and Other Operating Expenses	3,399,397

Financial Expenses	
Interest Expenses	149,759
Bank Charges	140

Total Financial Expenses	149,899

Total Current Operating Expenditures	6,953,189

Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	3,215,863
Machinery and Equipment Outlay	142,378
Transportation Equipment Outlay	32,000
Furniture, Fixtures and Books Outlay	20
Other Property Plant and Equipment Outlay	20
Intangible Assets Outlay	241,165

Total Capital Outlays	3,631,446

Total Programs/Locally-Funded Project(s)	10,584,635

TOTAL NEW APPROPRIATIONS	10,584,635
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