



REPUBLIC OF THE PHILIPPINES

## Department of Budget and Management

Building I, General Solano Street, San Miguel, Manila



### BUDGET CIRCULAR

No. 2008 - 4

July 10, 2008

**TO :** Heads of National Government Agencies Including State Universities and Colleges, Government-Owned or Controlled Corporations and Local Government Units; and All Others Concerned

**SUBJECT :** Amended Rule on the Grant of Year-End Bonus and Cash Gift to Government Personnel

---

#### 1.0 Purpose

This Circular is issued to amend sub-item 4.1.4 of Budget Circular (BC) No. 2005-6, "Updated Rules and Regulations on the Grant of the Year-End Bonus and Cash Gift to Government Personnel for FY 2005 and Years Thereafter," in line with the following provisions of the second paragraph of Section 43, General Provisions of RA No. 9498, the FY 2008 General Appropriations Act:

"One half (1/2) of said year-end bonus and cash gift may be paid not earlier than May 1 if at least a total of four (4) months of service have been rendered regardless of whether they will still be in the service as of October 31 of the same year. A proportionate share of the remaining balance of the year-end bonus and cash gift shall be granted prior to retirement/separation before October 31, subject to the implementing rules and regulations issued by the DBM."

#### 2.0 Amendment

Sub-item 4.1.4 of BC No. 2005-6 is amended as follows:


"4.1.4 Those who have rendered more than four (4) months of service in a given year and are to retire or are to be separated without cause before October 31 of the same year may receive proportionate shares of the remaining balances of their year-end bonuses and cash gifts based on the following scheme, to be paid within the month of retirement/separation. These are in addition to one-half of their year-end bonuses and cash gifts received earlier in May.

A.

Month of Retirement/ Separation from the Service	Percentage of ½ of the Year-End Bonus and Cash Gift
May	15%
June	30%
July	45%
August	60%
September	75%
October	90%*

### 3.0 Effectivity

This Circular shall take effect in FY 2008.

  
**ROLANDO G. ANDAYA, JR.**  
Secretary