



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CIRCULAR LETTER

No. 2021 - 3
February 19, 2021

TO : All Heads of Departments/Agencies/State Universities and Colleges and Other Offices of the National Government, Budget Officers; Heads of Accounting Units, COA Auditors, Heads of Modified Disbursement System-Government Servicing Banks (MDS-GSBs) and All Others Concerned

SUBJECT : REMINDING ALL GOVERNMENT OFFICIALS CONCERNED OF THE PAYMENT ARRANGEMENT RELATIVE TO REMITTANCE TO THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) OF THE RETIREMENT AND LIFE INSURANCE PREMIUM (RLIP) – GOVERNMENT SHARE (GS) CONTRIBUTIONS EFFECTIVE FY 2021 AND ONWARDS

1.0 This Circular is issued to remind all concerned of the following guidelines/provisions relative to the payment arrangements for the remittance to GSIS of the RLIP-GS contributions **effective January 1, 2021:**

1.1 Section 48 (Remittance of Compulsory Contributions) of the General Provisions under R.A. No. 11518, the **FY 2021 General Appropriations Act (GAA):**

*"The government and employee shares in the compulsory contributions to the ...GSIS... pursuant to R.A. No. 8291... **shall be remitted directly by departments, bureaus and offices of the National government, including Constitutional Offices enjoying fiscal autonomy and SUCs to the respective recipient agencies** unless a different arrangement is agreed upon in writing between the DBM and the recipient agency..."*

1.2 Applicable DBM issuances (**Item 4.4 of DBM Circular Letter No. 2020-13** dated October 26, 2020, Reminding Agency Submission of Budget Execution Documents for FY 2021 and for Other Purposes, and **National Budget Circular (NBC) No. 583** dated January 4, 2021, Guidelines on the Release of Funds, Annex C).

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- 2.0 To enable government entities to **remit payments for the RLIP-GS premium contributions of their respective employees directly to the GSIS**, the DBM issued the comprehensive General Allotment Release Order (GARO), i.e., GARO 2021-1 dated January 4, 2021, pursuant to aforesaid NBC No. 583-Annex C (Summary of Automatic Appropriations [Full Year Allocation Release through the GARO for RLIP]).
- 3.0 The DBM shall issue separate Special Allotment Release Orders (SAROs) to cover subsequent requirements therefor, upon the request of the government entity concerned.
- 4.0 All provisions of existing circulars and other issuances inconsistent with this Circular are hereby rescinded/repealed and/or modified accordingly.
- 5.0 If any provision of this Circular is later amended or its application to any person or circumstance held invalid, other provisions not affected thereby shall remain valid and subsisting.
- 6.0 This Circular shall take effect immediately.

WENDEL E. AVISADO
Secretary

