

H. NATIONAL TAX RESEARCH CENTER

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u> | <u>(Obligation-Based)</u> | | <u>(Cash-Based)</u> |
|--|-----------------------------|---------------|-----------------------|
| | <u>2017</u> | <u>2018</u> | <u>2019</u> |
| New General Appropriations | <u>51,203</u> | <u>57,433</u> | <u>66,115</u> |
| General Fund | 51,203 | 57,433 | 66,115 |
| Automatic Appropriations | <u>3,517</u> | <u>3,837</u> | <u>4,348</u> |
| Retirement and Life Insurance Premiums | 3,517 | 3,837 | 4,348 |
| Continuing Appropriations | <u>138</u> | | |
| Unobligated Releases for Capital Outlays R.A. No. 10717 | 138 | | |
| Budgetary Adjustment(s) | <u>3,662</u> | | |
| Transfer(s) from: | | | |
| Miscellaneous Personnel Benefits Fund | 2,851 | | |
| Pension and Gratuity Fund | <u>811</u> | | |
| Total Available Appropriations | 58,520 | 61,270 | 70,463 |
| Unused Appropriations | <u>(399)</u> | | |
| Unreleased Appropriation | (60) | | |
| Unobligated Allotment | <u>(339)</u> | | |
| TOTAL OBLIGATIONS | <u>58,121</u> | <u>61,270</u> | <u>70,463</u> |

EXPENDITURE PROGRAM
(in pesos)

| GAS / STO / OPERATIONS / PROJECTS | <u>(Obligation-Based)</u> | | <u>(Cash-Based)</u> |
|--------------------------------------|-----------------------------|-------------------------|--------------------------|
| | <u>2017 Actual</u> | <u>2018 Current</u> | <u>2019 Proposed</u> |
| General Administration and Support | <u>24,640,000</u> | <u>20,911,000</u> | <u>28,787,000</u> |
| Regular | <u>24,640,000</u> | <u>20,911,000</u> | <u>28,787,000</u> |
| PS | 20,225,000 | 14,840,000 | 16,106,000 |
| MOOE | 4,415,000 | 6,071,000 | 12,681,000 |

| | | | |
|---------------------|------------|------------|------------|
| Operations | 33,481,000 | 40,359,000 | 41,676,000 |
| Regular | 33,481,000 | 40,359,000 | 41,676,000 |
| PS | 26,227,000 | 31,182,000 | 36,058,000 |
| MOOE | 7,142,000 | 8,152,000 | 4,663,000 |
| CO | 112,000 | 1,025,000 | 955,000 |
| TOTAL AGENCY BUDGET | 58,121,000 | 61,270,000 | 70,463,000 |
| Regular | 58,121,000 | 61,270,000 | 70,463,000 |
| PS | 46,452,000 | 46,022,000 | 52,164,000 |
| MOOE | 11,557,000 | 14,223,000 | 17,344,000 |
| CO | 112,000 | 1,025,000 | 955,000 |

STAFFING SUMMARY

| | 2017 | 2018 | 2019 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING | | | |
| Total Number of Authorized Positions | 152 | 152 | 152 |
| Total Number of Filled Positions | 85 | 85 | 85 |

Proposed New Appropriations Language
 For general administration and support and operations, as indicated hereunder.....P 66,115,000
 =====

| OPERATIONS BY PROGRAM | PROPOSED 2019 (Cash-Based) | | | |
|-------------------------------|------------------------------|-----------|---------|------------|
| | PS | MOOE | CO | TOTAL |
| NATIONAL TAX ADVISORY PROGRAM | 33,006,000 | 4,663,000 | 955,000 | 38,624,000 |

| REGION | EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2019 (Cash-Based) | | | |
|-------------------------------|---|------------|---------|------------|
| | (in pesos) | | | |
| | PS | MOOE | CO | TOTAL |
| Regional Allocation | 47,816,000 | 17,344,000 | 955,000 | 66,115,000 |
| National Capital Region (NCR) | 47,816,000 | 17,344,000 | 955,000 | 66,115,000 |
| TOTAL AGENCY BUDGET | 47,816,000 | 17,344,000 | 955,000 | 66,115,000 |
| | ===== | ===== | ===== | ===== |

SPECIAL PROVISION(S)

1. Reporting and Posting Requirements. The National Tax Research Center (NTRC) shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:
 - (a) Unified Reporting System (URS) or other electronic means for reports not covered by the URS; and
 - (b) NTRC's website.

The NTRC shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

2. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

| | | <u>Current Operating Expenditures</u> | | | |
|---|--|---------------------------------------|---|------------------------|--------------|
| | | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| PROGRAMS | | | | | |
| 1000000000000000 | General Administration and Support | 14,810,000 | 12,681,000 | | 27,491,000 |
| 100000100001000 | General management and supervision | 14,524,000 | 12,681,000 | | 27,205,000 |
| 100000100002000 | Administration of Personnel Benefits | 286,000 | | | 286,000 |
| Sub-total, General Administration and Support | | 14,810,000 | 12,681,000 | | 27,491,000 |
| 3000000000000000 | Operations | 33,006,000 | 4,663,000 | 955,000 | 38,624,000 |
| 3100000000000000 | 00 : Philippine Tax System Improved | 33,006,000 | 4,663,000 | 955,000 | 38,624,000 |
| 3101000000000000 | NATIONAL TAX ADVISORY PROGRAM | 33,006,000 | 4,663,000 | 955,000 | 38,624,000 |
| 310100100001000 | Tax System and Tax Policy Structure Studies and Surveys | 33,006,000 | 4,536,000 | 955,000 | 38,497,000 |
| 310100100002000 | Evaluation of Tax Subsidy Requests from Government-Owned and Controlled Corporations (GOCCs) | | 127,000 | | 127,000 |
| Sub-total, Operations | | 33,006,000 | 4,663,000 | 955,000 | 38,624,000 |
| TOTAL NEW APPROPRIATIONS | | P 47,816,000 | P 17,344,000 | P 955,000 | P 66,115,000 |

Obligations, by Object of Expenditures

CYs 2017-2019
(In Thousand Pesos)

| | <u>(Obligation-Based)</u> | | <u>(Cash-Based)</u> |
|-------------------------------------|-----------------------------|-------------|-----------------------|
| | <u>2017</u> | <u>2018</u> | <u>2019</u> |
| Current Operating Expenditures | | | |
| Personnel Services | | | |
| Civilian Personnel | | | |
| Permanent Positions | | | |
| Basic Salary | 30,794 | 31,971 | 36,240 |
| Total Permanent Positions | 30,794 | 31,971 | 36,240 |
| Other Compensation Common to All | | | |
| Personnel Economic Relief Allowance | 1,924 | 1,944 | 2,040 |
| Representation Allowance | 568 | 570 | 570 |
| Transportation Allowance | 358 | 570 | 570 |
| Clothing and Uniform Allowance | 405 | 405 | 510 |
| Overtime Pay | 50 | | |

| | | | |
|---|---------------|---------------|---------------|
| Mid-Year Bonus - Civilian | 2,438 | 2,664 | 3,020 |
| Year End Bonus | 2,440 | 2,664 | 3,020 |
| Cash Gift | 402 | 405 | 425 |
| Productivity Enhancement Incentive | 404 | 405 | 425 |
| Performance Based Bonus | 1,242 | | |
| Step Increment | | 80 | 91 |
| Total Other Compensation Common to All | 10,231 | 9,707 | 10,671 |
| Other Compensation for Specific Groups | | | |
| Magna Carta for Public Health Workers | 16 | 23 | 23 |
| Laundry Allowance | 2 | 2 | 2 |
| Other Personnel Benefits | 7 | | |
| Total Other Compensation for Specific Groups | 25 | 25 | 25 |
| Other Benefits | | | |
| Retirement and Life Insurance Premiums | 3,517 | 3,837 | 4,348 |
| PAG-IBIG Contributions | 97 | 98 | 102 |
| PhilHealth Contributions | 268 | 286 | 390 |
| Employees Compensation Insurance Premiums | 97 | 98 | 102 |
| Loyalty Award - Civilian | 106 | | |
| Terminal Leave | 1,317 | | 286 |
| Total Other Benefits | 5,402 | 4,319 | 5,228 |
| TOTAL PERSONNEL SERVICES | 46,452 | 46,022 | 52,164 |
| Maintenance and Other Operating Expenses | | | |
| Travelling Expenses | 560 | 368 | 300 |
| Training and Scholarship Expenses | 648 | 863 | 863 |
| Supplies and Materials Expenses | 1,024 | 1,773 | 1,254 |
| Utility Expenses | 2,039 | 3,100 | 2,800 |
| Communication Expenses | 605 | 800 | 959 |
| Confidential, Intelligence and Extraordinary Expenses | | | |
| Extraordinary and Miscellaneous Expenses | 118 | 118 | 118 |
| Professional Services | | 504 | 277 |
| General Services | 560 | 450 | 450 |
| Repairs and Maintenance | 159 | 339 | 169 |
| Taxes, Insurance Premiums and Other Fees | 271 | 100 | 196 |
| Other Maintenance and Operating Expenses | | | |
| Printing and Publication Expenses | 24 | 200 | 100 |
| Representation Expenses | 123 | 88 | 88 |
| Rent/Lease Expenses | 4,072 | 5,460 | 9,720 |
| Membership Dues and Contributions to Organizations | 16 | 20 | 20 |
| Subscription Expenses | 28 | 40 | 30 |
| Other Maintenance and Operating Expenses | 1,310 | | |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES | 11,557 | 14,223 | 17,344 |
| TOTAL CURRENT OPERATING EXPENDITURES | 58,009 | 60,245 | 69,508 |
| Capital Outlays | | | |
| Property, Plant and Equipment Outlay | | | |
| Machinery and Equipment Outlay | 108 | 1,025 | 955 |
| Furniture, Fixtures and Books Outlay | 4 | | |
| TOTAL CAPITAL OUTLAYS | 112 | 1,025 | 955 |
| GRAND TOTAL | 58,121 | 61,270 | 70,463 |

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Sound, stable and supportive macroeconomic environment sustained

ORGANIZATIONAL
OUTCOME : Philippine Tax System Improved

PERFORMANCE INFORMATION

| ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs) | 2017 GAA Targets | 2017 Actual |
|--|---|--|
| Philippine Tax System Improved | | |
| Findings and recommendations considered in tax policy reforms | 5 tax studies supportive of tax policy reforms | 20 tax studies supportive of tax policy reforms |
| Monitoring of compliance to AO 31 re Revision of Fees and Charges Improved | P6.65 Billion projected additional collection from revised fees and charges [P30.54 Billion + (20% X P30.54 Billion) = P36.65 Billion | Php 40.77 Billion -Collection from fees and charges per Cash Operations report from the Bureau of Treasury |
| Applications for Tax Subsidies of GOCCs Evaluated | 4 GOCCs will apply for tax subsidy (P8 Billion Estimated Tax Subsidy Granted) | Php 2.11 Billion |
| Tax Information Dissemination and Taxpayer Awareness Enhanced | 1,000 Recipients of NTRC publications | 980 recipients of NTRC publications |

| MFO / Performance Indicators | 2017 GAA Targets | 2017 Actual |
|--|-------------------------|-------------|
| MFO 1: TECHNICAL ADVISORY SERVICES | | |
| Number of evaluations, studies, tax proposals/tax assessments | 45, 37, 16 respectively | 104, 41, 18 |
| Percentage of recommendations adopted | 90% | 100% |
| Percentage of reviews, evaluations and studies delivered on or before the requested date | 100% | 100% |

| ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs) | 2018 GAA Targets | Baseline | 2019 Targets |
|--|---|--|--|
| Philippine Tax System Improved | | | |
| NATIONAL TAX ADVISORY PROGRAM | | | |
| Outcome Indicator(s) | | | |
| 1. Percentage/Number of National Government Agencies monitored and rendered technical assistance in fee revision within the prescribed timeframe | Monitored- 37 NGAs Rendered technical assistance- 15 | Monitored- 35 NGAs Rendered technical assistance- 13 (depends on the number of requests in fee revision from NGA's) | Monitored-37 NGAs Rendered technical assistance- 15 |
| 2. Percentage of tax research recommendations considered in tax policy reforms | 90% | 90% | 90% |
| Output Indicator(s) | | | |
| 1. Number of tax research studies conducted and publications completed | 37 tax studies conducted 12 publications completed | 37 tax studies conducted 12 publications completed | 37 tax studies conducted 12 publications completed |
| 2. Percentage of tax related legislative bills evaluated / commented within the prescribed timeframe | 80% | 80% | 80% |
| 3. Percentage/Number of tax subsidy requests of GOCCs/SUCs/GIs/Commissaries evaluated and processed within the prescribed timeframe | 5 GOCCs/commissary-applicants for tax subsidy | 4 GOCCs (depends on the number of applicants for tax subsidy) | 4 GOCCs/SUCs/GIs/Commissaries-applicants for tax subsidy |