

E. COURT OF TAX APPEALS

STRATEGIC OBJECTIVES

- MANDATE** : The Court of Tax Appeals (CTA) has exclusive appellate jurisdiction to review by appeal decisions or inaction of the Commissioner of Internal Revenue or of the Commissioner of Customs involving their respective responsibilities under the National Internal Revenue Code and the Customs Law, respectively, and those of the Secretary of Finance in automatic review cases where the decisions of the Commissioner of Internal Revenue or of Customs favorable to the taxpayer are elevated to the Finance Secretary; also those of the Secretary of Trade and Industry, in the case of non-agricultural product, commodity or article; or the Secretary of Agriculture, in the case of agricultural product, commodity or article, in connection with the imposition of the Anti-Dumping Duty, Countervailing and Safeguard Duty. This original and appellate jurisdiction includes criminal cases involving violations of the National Internal Revenue Code or the Tariff and Customs Code; decisions of Regional Trial Courts (RTCs) in local tax cases, and of the Central Board of Assessment Appeals (CBAA) in cases involving the assessment and taxation of real property; and collection of taxes the assessment of which has already become final.
- VISION** : To remain worthy of public trust and confidence, the CTA has maintained its impartiality, competence, transparency, and faithful compliance with tax laws.
- MISSION** : To achieve its vision, the Court is guided by the following principles: 1. fair and speedy collection of taxes by the Government; 2. adequate judicial remedies to taxpayers against unreasonable or unjust tax assessments and refund of excessive or erroneously collected taxes; 3. proper interpretation of tax statutes; 4. adherence to the independence of the Judiciary; and 5. utmost deference for public trust and confidence in the Judiciary.
- KEY RESULT AREAS** : Just and lasting peace and the rule of law
- SECTOR OUTCOME** : Resolutions/decisions of cases under its jurisdiction
- ORGANIZATIONAL OUTCOME** : 1. Judgment of tax cases independently, effectively and efficiently rendered

SECTION 1 : EXPENDITURE PROGRAM
(in pesos)

No. / Code	GASS / STO / OPERATIONS / PROJECTS	2014 Actual	2015 Current	2016 Proposed
000001000000000	General Administration and Support	140,665,000	144,428,000	158,877,000
	PS	124,366,000	114,015,000	128,904,000
	MOOE	16,299,000	28,413,000	29,973,000
	CO		2,000,000	
000003000000000	Operations	120,112,000	111,372,000	122,731,000
	PS	91,698,000	67,264,000	69,649,000
	MOOE	21,347,000	44,108,000	45,082,000
	CO	7,067,000		8,000,000
TOTAL AGENCY BUDGET		260,777,000	255,800,000	281,608,000
	PS	216,064,000	181,279,000	198,553,000
	MOOE	37,646,000	72,521,000	75,055,000
	CO	7,067,000	2,000,000	8,000,000

STAFFING SUMMARY

	2014	2015	2016
TOTAL STAFFING			
Total Number of Authorized Positions	337	337	337
Total Number of Filled Positions	250	258	258

OPERATIONS BY MFO	PROPOSED 2016			
	PS	MOOE	CO	TOTAL
MFO 1: RESOLUTIONS/DECISIONS OF CASES UNDER ITS JURISDICTION	64,575,000	45,082,000	8,000,000	117,657,000

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):	187,036,000	75,055,000	8,000,000	270,091,000
National Capital Region (NCR)	187,036,000	75,055,000	8,000,000	270,091,000
TOTAL AGENCY BUDGET	187,036,000	75,055,000	8,000,000	270,091,000
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SECTION 3 : SPECIAL PROVISION(S)

- Administration of Appropriations. The appropriations provided herein for the Court of Tax Appeals shall be administered by the Presiding Justice of the Court of Tax Appeals, subject to the provisions of P.D. No. 985, as amended, E.O. No. 292 and other budgeting, accounting and auditing rules and regulations.
- Non-Recurring Expenses. All non-recurring items of appropriations authorized herein such as, but not limited to, foreign-assisted projects and locally-funded projects, shall not form part of the Court of Tax Appeal's appropriations that may not be reduced by Congress under Section 3, Article VIII of the Constitution. The Supreme Court en banc, through a resolution, shall affirm the items of appropriation in the Judiciary's budget that are non-recurring, as defined above, and which shall not be considered in the total appropriations that may not be reduced.
- Funding Requirements for the Filling of Unfilled Positions. The amount of Thirty Three Million Eight Hundred Nine Thousand Pesos (P33,809,000) appropriated herein for Personnel Services shall be used for the filling of unfilled positions as of December 31, 2014. Said amount shall be automatically and regularly released and be available for obligation until the end of FY 2016. Any unexpended balance therefrom shall revert to the unappropriated surplus of the General Fund in accordance with Section 28, Chapter 4, Book VI of E.O. No. 292.

The Court of Tax Appeals shall submit to the Office of the President, either in printed form or by way of electronic document, quarterly reports on the utilization of said amount.

- Payment of Adjusted Pension. The amounts appropriated herein for payment of pension to retired Justices shall be adjusted at the rates authorized under Section 3-A of R.A. No. 910, as amended by R.A. No. 1797 and implemented by SC A.M. No. 91-8-225-C.A.
- 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:

SECTION 4 : PERFORMANCE INFORMATION

KEY STRATEGIES :

To remain worthy of public trust and confidence, the CTA has maintained its impartiality, competent, transparency and faithful compliance with tax laws.

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	Baseline	2016 Targets
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Judgment of tax cases independently, effectively and efficiently rendered

MFO / PIs

2016 Targets

MFO 1: RESOLUTIONS/DECISIONS OF CASES UNDER ITS JURISDICTION

No. of cases received/handled	1,383
No. of cases disposed	352
Disposition rate	25.45%

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	
			<u>CTA</u>	<u>Recommendation</u>
New General Appropriations	244,600	244,671	(370,870)	270,091
General Fund		244,671	(370,870)	270,091
R.A. No. 10633	244,600			
Automatic Appropriations	10,568	11,129	(11,611)	11,517
Retirement and Life Insurance Premiums	10,568	11,129	(11,611)	11,517
Continuing Appropriations	89,944	93,520		
Unobligated Releases for COE				
R.A. No. 10633		8,046		
R.A. No. 9498	89,944	85,474		
Budgetary Adjustment(s)	9,185			
Transfer(s) from:				
Miscellaneous Personnel Benefits Fund	1,260			
Pension and Gratuity Fund	7,925			
Total Available Appropriations	354,297	349,320	(382,481)	281,608
Unused Appropriations	(93,520)	(93,520)		
Unobligated Allotment	(93,520)	(93,520)		
TOTAL OBLIGATIONS	260,777	255,800	(382,481)	281,608
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Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P (370,870,000) P 270,091,000
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New Appropriations, by Programs/Activities/Projects

	Current Operating Expenditures							
	Personnel Services		Maintenance and Other Operating Expenses		Capital Outlays		Total	
	CTA	Recommendation	CTA	Recommendation	CTA	Recommendation	CTA	Recommendation
PROGRAMS								
000001000000000 General Administration and Support	(99,371,000)	122,461,000	(30,479,000)	29,973,000			(129,850,000)	152,434,000
000001000100000 General Administration and Support Services	(99,371,000)	122,461,000	(30,479,000)	29,973,000			(129,850,000)	152,434,000
103001000100001 General management and supervision	P(63,875,000)	P 75,143,000	P(30,479,000)	P 29,973,000			P(94,354,000)	P 105,116,000
103001000100002 Funding requirements for the filling of unfilled positions	(35,496,000)						(35,496,000)	
103001000100004 Administration of Personnel Benefits		47,318,000						47,318,000
Sub-total, General Administration and Support	(99,371,000)	122,461,000	(30,479,000)	29,973,000			(129,850,000)	152,434,000
000003000000000 Operations	(163,732,000)	64,575,000	(47,561,000)	45,082,000	(29,727,000)	8,000,000	(241,020,000)	117,657,000
000003010000000 MFO 1: RESOLUTIONS/DECISIONS OF CASES UNDER ITS JURISDICTION	(163,732,000)	64,575,000	(47,561,000)	45,082,000	(29,727,000)	8,000,000	(241,020,000)	117,657,000
143003010100000 Adjudication of Tax, Customs and Assessment Cases	(163,732,000)	64,575,000	(47,561,000)	45,082,000	(29,727,000)	8,000,000	(241,020,000)	117,657,000
Sub-total, Operations	(163,732,000)	64,575,000	(47,561,000)	45,082,000	(29,727,000)	8,000,000	(241,020,000)	117,657,000
TOTAL NEW APPROPRIATIONS	P(263,103,000)	P 187,036,000	P(78,040,000)	P 75,055,000	P(29,727,000)	P 8,000,000	P(370,870,000)	P 270,091,000

Obligations, by Object of Expenditures

CYs 2014-2016
(In Thousand Pesos)

	2014	2015	2016	
			CTA	Recommendation
Current Operating Expenditures				
Personnel Services				
Civilian Personnel				
Permanent Positions				
Basic Salary	86,953	97,379	104,598	101,026
Creation of New Positions		500	500	
Total Permanent Positions	86,953	97,879	105,098	101,026
Other Compensation Common to All				
Personnel Economic Relief Allowance	5,158	6,000	6,144	6,192
Representation Allowance	5,658	5,400	6,172	5,358
Transportation Allowance	4,981	5,400	6,171	5,358
Clothing and Uniform Allowance	1,120	1,250	1,280	1,290
Productivity Incentive Allowance	484	500	512	
Year End Bonus	7,930	8,114	8,857	8,419
Cash Gift	1,210	1,250	1,280	1,290
Step Increment	238	244	244	444
Productivity Enhancement Incentive	1,260			1,290
Total Other Compensation Common to All	28,039	28,158	30,660	29,641

Other Compensation for Specific Groups				
Magna Carta for Public Health Workers	68	191	256	191
Longevity Pay	1,234	1,439	1,439	1,439
Special Allowance for Judges and Justices			1,469	
Lump-sum for filling of Positions - Civilian	34,519	36,372	34,996	33,809
Other Personnel Benefits	41,291		68,164	
Total Other Compensation for Specific Groups	<u>77,112</u>	<u>38,002</u>	<u>106,324</u>	<u>35,439</u>
Other Benefits				
Retirement and Life Insurance Premiums	10,077	11,129	11,611	11,517
PAG-IBIG Contributions	274	299	307	310
PhilHealth Contributions	696	767	895	797
Employees Compensation Insurance Premiums	272	299	307	310
Retirement Gratuity	6,305		8,498	8,498
Terminal Leave	1,620		5,010	5,011
Total Other Benefits	<u>19,244</u>	<u>12,494</u>	<u>26,628</u>	<u>26,443</u>
Other Personnel Benefits				
Pension, Civilian Personnel	4,716	4,746	6,004	6,004
Total Other Personnel Benefits	<u>4,716</u>	<u>4,746</u>	<u>6,004</u>	<u>6,004</u>
TOTAL PERSONNEL SERVICES	<u>216,064</u>	<u>181,279</u>	<u>274,714</u>	<u>198,553</u>
Maintenance and Other Operating Expenses				
Travelling Expenses	1,638	5,322	5,480	3,001
Training and Scholarship Expenses	1,733	4,174	4,407	4,407
Supplies and Materials Expenses	4,995	10,424	10,910	10,910
Utility Expenses	8,061	14,230	14,942	14,942
Communication Expenses	2,717	4,725	4,979	4,979
Confidential, Intelligence and Extraordinary Expenses				
Extraordinary and Miscellaneous Expenses	2,643	3,114	3,114	3,114
Professional Services	495	4,095	2,568	2,568
General Services	6,391	7,424	9,527	9,021
Repairs and Maintenance	1,630	2,993	3,373	3,373
Taxes, Insurance Premiums and Other Fees	867	3,700	3,885	3,885
Other Maintenance and Operating Expenses				
Advertising Expenses	106	1,097	1,152	1,152
Printing and Publication Expenses	144	106	165	165
Representation Expenses	4,103	5,985	8,150	8,150
Transportation and Delivery Expenses	176	1,581	1,660	1,660
Rent/Lease Expenses	1,745	2,920	3,066	3,066
Membership Dues and Contributions to Organizations	38	264	277	277
Subscription Expenses	164	367	385	385
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>37,646</u>	<u>72,521</u>	<u>78,040</u>	<u>75,055</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>253,710</u>	<u>253,800</u>	<u>352,754</u>	<u>273,608</u>
Capital Outlays				
Property, Plant and Equipment Outlay				
Buildings and Other Structures	1,237			
Machinery and Equipment Outlay	620	1,000	13,074	
Transportation Equipment Outlay	4,665	1,000	14,000	8,000
Furniture, Fixtures and Books Outlay	545		2,653	
TOTAL CAPITAL OUTLAYS	<u>7,067</u>	<u>2,000</u>	<u>29,727</u>	<u>8,000</u>
GRAND TOTAL	<u>260,777</u>	<u>255,800</u>	<u>382,481</u>	<u>281,608</u>