

[EXECUTIVE ORDER NO. 625, April 04, 2007]

AMENDING BIR EXECUTIVE ORDER NO. 175 OF PRESIDENT JOSEPH ESTRADA AND FOR OTHER PURPOSES

WHEREAS, for 2006, BIR was short of P20 billion, but just for the first two months of 2007 (January and February), the BIR already incurred P10.3 shortfall. The 2006 and 2007 deficit continued from the 2005 deficit of P11 billion;

WHEREAS, for April 2007 which is usually the highest payment of income tax, collection is already compromised with recorded input tax VAT refund of over P35 billion for April;

I, therefore, Gloria M. Arroyo, do hereby order:

SECTION 1. The Run After Tax Evaders (RATE) Program shall be institutionalized into a regular division in the BIR's Enforcement Service of the Bureau of Internal Revenue (BIR);

SEC. 2. There is hereby created a Revenue Enforcement Committee to be headed by the Deputy Commissioner for Legal, Inspection and Enforcement Group;

SEC. 3. The Large Taxpayers is hereby placed under the Office of the Deputy Commissioner for Audit and Fraud Investigation. RDO Cesar Lim is hereby designated to head the Large Taxpayers Service, subject to the rules of the Commission on Elections.

SEC. 4. RATE and tax fraud cases shall be given priority in tax investigations in the Large Taxpayers' Service and the district offices;

SEC. 5. Each RDO is hereby required to file one RATE case per month;

SEC. 6. BIR Executive Order (EO) No. 175 of President Joseph Estrada is hereby amended by reverting it to the previous EO No. 430 which would effectively promote industry audit and benchmarking methods in the national and special investigations of the Bureau;

SEC. 7. The Inspection Group is hereby deputized to proceed administratively against BIR officials and employees with cases in the Revenue Integrity Protection Services RIPS (RIPS), alongside the criminal Ombudsman cases of the Department of Finance.

DONE in the City of Manila, this 4th day of April, in the Year of Our Lord Two Thousand and Seven.

(SGD.) GLORIA MACAPAGAL-ARROYO

By the President: