

[EXECUTIVE ORDER NO. 608, August 01, 1980]

REORGANIZING THE BUREAU OF INTERNAL REVENUE

WHEREAS, there is need to further improve the organization of the Bureau of Internal Revenue in order to make it more responsive to the requirements of efficiency, effectiveness and economy in the administration and implementation of internal revenue and other tax laws;

WHEREAS, in order to attain the foregoing objective, it is necessary to establish a more effective delegation and distribution of supervisory jurisdictions in the Bureau; integrate its planning and policy functions; vest in the Commissioner the authority to relocate organizational units for closer and more effective supervision, eliminate overlapping or duplication of functions, clarify functional lines of authority, and integrate allied functions in the Bureau; and relieve the Commissioner of minor supervisory details to enable him to concentrate more on major policy and decision-making activities; and

WHEREAS, under Presidential Decree No. 1416, the President is empowered to undertake such organizational and related improvements as may be appropriate in the light of changing circumstances and new developments;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, do hereby direct and order the following:

SECTION 1. There shall be two Deputy Commissioners in the Bureau of Internal Revenue who shall assist the Commissioner in the exercise of supervision and control over the subordinate units of the Bureau. Each Deputy Commissioner shall receive an annual salary of P50,292.00. The two Assistant Commissioner positions in the Bureau are hereby abolished.

SEC. 2. The Commissioner of Internal Revenue may delegate his supervisory jurisdiction over such subordinate units of the Bureau as he may determine to his two deputies in such manner as will promote efficiency, effectiveness and economy in the direction and supervision of the operations and activities of said units: Provided, however, That the delegated supervisory jurisdiction of either Deputy shall not be confined to purely staff or administrative operations.

SEC. 3. As the exigencies of the service may require, the Commissioner of Internal Revenue may, within the limits of budgetary appropriations, relocate organizational units from one supervisory authority to another, eliminate overlapping or duplication of functions, clarify functional lines of authority, and integrate similar or allied functions in the Bureau.

SEC. 4. (a) The Bureau of Internal Revenue shall have the existing Financial and Management Service; Administrative Service, hereby renamed Personnel and

Administrative Service; Data Processing Center, Inspection Service; Assessment Service, hereby renamed National Assessment Office; Specific Tax Service, hereby renamed Specific Tax Office; Legal Service, hereby renamed Legal Office; Collection Service, hereby renamed Collection Office; and a Planning and Policy Service and a Sector Operations Office which are hereby created.

(b) A service, office or center shall be headed by a Revenue Service Chief.

SEC. 5. (a) The Planning and Policy Service shall perform the following functions:

(1) Undertake the formulation of plans including project development for the Bureau in coordination with its various units; and serve as its representative in the formulation of internal revenue and other tax laws administered by the Bureau as well as in the preparation of the national development plan to ensure consistency with overall development objectives;

(2) Provide assistance to the Commissioner in the formulation of tax policies and guidelines, as well as proposed internal revenue tax legislations for submission either to the President or to the Batasang Pambansa;

(3) Study and prepare comments and recommendations on proposed tax legislations referred to the Commission for comment;

(4) Monitor and prepare comments and recommendations on any proposed tax legislative measure that will affect internal revenue collection and administration or which may have tax implications even if it not referred to the BIR for comment;

(5) Prepare and recommend the adoption of such rules and regulations required to implement approved internal revenue and other tax laws administered by the Bureau;

(6) Study and recommend amendments to the National Internal Revenue Code;

(7) Conduct research, studies and recommend special projects that can improve tax law enforcement and administration;

(8) Assist in the formulation of policies and programs, guidelines, standards and procedures relating to tax treaty negotiations, tax conventions and similar matters; and

(9) Perform such other related functions as the Commissioner may assign;

(b) For purposes of tax policy planning and research coordination, the Planning and Policy Service shall coordinate with the National Tax Research Center of the National Economic and Development Authority in undertaking tax policy planning and research and in the preparation of proposed tax legislations.

SEC. 6. (a) The Sector Operations Office shall perform the following functions:

(1) Development policies and work programs and set-up guidelines, procedures and techniques relating to the package audit system of assessment and investigation of industries or firms dealing in the following areas, namely: