

[PRC BOARD OF ACCOUNTANCY RESOLUTION NO. 04, s. 1998, January 23, 1998]

REVISION OF THE COVERAGE OF THE SUBJECT TAXATION AND THE PERCENTAGE WEIGHTS OF BUSINESS LAW AND TAXATION

WHEREAS, on December 11, 1997, President Fidel V. Ramos signed into law Republic Act No. 8424, which is to be cited as the "Tax Reform Act of 1997";

WHEREAS, the "Tax Reform Act of 1997" has drastically amended a great number of the provisions of the National Internal Revenue Code (NIRC);

WHEREAS, as of this writing, the Bureau of Internal Revenue has not as yet issued Revenue Regulations implementing the provisions of the "Tax Reform Act of 1997";

WHEREAS, some of the new provisions may be susceptible to conflicting interpretations in view of the absence of BIR Revenue Regulations;

WHEREAS, the candidates for the May, 1998 CPA Licensure Examinations should not be given questions on the provisions of the NIRC prior to their amendment by the "Tax Reform Act of 1997", as the said provisions would no longer be relevant to the practice of the profession;

WHEREAS, the candidates for the October, 1998 CPA Licensure Examinations are graduating this March, 1998 and they only have the CPA Review to learn the new provisions of the "Tax Reform Act of 1997", thus negating the purpose of a review;

WHEREAS, it may take about a year or until the May, 1999 CPA Licensure Examination for interpretations of the provisions of the "Tax Reform Act of 1997" to have an element of stability;

WHEREAS, Sec. 5 of P.D. No. 692, "The Revised Accountancy Law", provides that among the functions of the Board of Accountancy is "To determine and prepare the contents of licensure examinations; to look from time to time into conditions affecting the practice of the accountancy profession; and to perform such other functions and duties as may be deemed necessary to effectively implement policies with respect to the regulation and practice of the profession";

WHEREAS, Sec. 11 of the same law authorizes the Board of Accountancy, upon approval of the Professional Regulation Commission, to modify the scope of the examination as well as prepare and issue an outline or syllabus containing the contents and coverage of the different CPA Licensure Examinations;

WHEREFORE, the Board of Accountancy RESOLVED as it hereby RESOLVES not to include in the subject of Taxation for the May, 1998 and October, 1998 CPA Licensure Examinations questions on the provisions of the "Tax Reform Act of 1997"