

SENATE OF THE PHILIPPINES)
SIXTEENTH CONGRESS)
First Regular Session)



Senate
Office of the Secretary

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SENATE

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P. S. R. NO. 370

INTRODUCED BY **SENATOR JOSEPH VICTOR G. EJERCITO**

RESOLUTION

**URGING THE BUREAU OF INTERNAL REVENUE (BIR) TO
IMPLEMENT TWO-FISCAL YEAR MORATORIUM ON ALL KINDS
OF TAXES TO AREAS THAT HAVE BEEN SEVERELY AFFECTED
BY SUPERTYPHOON YOLANDA**

WHEREAS, supertyphoon Yolanda have brought catastrophic destruction and devastation to the provinces of Regions IV-A, IV-B, V, VI, VII, X, XI and Caraga especially to Region VIII or the Easter Visayas.

WHEREAS, based on the National Disaster Risk Reduction Management Council (NDRRMC) update, 3,976 individuals have been reported dead, 18,175 injured and 1,598 are still missing and the estimated total cost of damage amounts to more than Php10-billion.¹

WHEREAS, on November 11, 2013, recognizing the devastating effects brought by supertyphoon Yolanda, the Office of the President issued Proclamation No. 682 declaring a State of National Calamity affecting Samar, Leyte, Cebu, Iloilo, Capiz, Aklan, and Palawan.

WHEREAS, the Bureau of Internal Revenue is mandated by law to assess and collect all national internal revenue taxes, fees and charges, and to enforce all forfeitures, penalties and fines connected therewith, including the execution of judgments in all cases decided in its favor by the Court of Tax Appeals and the ordinary courts.²

¹ *SttRep No. 26 Effects of Typhoon Yolanda (Haiyan) dated November 18, 2013, 6:00AM*

² *Section 2, National Internal Revenue Code of 1997*

WHEREAS, under Section 248 of the National Internal Revenue Code of 1997, there is a corresponding penalty equivalent to twenty-five percent (25%) of the amount due, in the following cases:

- (1) Failure to file any return and pay the tax due thereon as required under the provisions of the Tax Code or rules and regulations on the date prescribed; or
- (2) Unless otherwise authorized by the Commissioner, filing a return with an internal revenue officer other than those with whom the return is required to be filed; or
- (3) Failure to pay the deficiency tax within the time prescribed for its payment in the notice of assessment; or
- (4) Failure to pay the full or part of the amount of tax shown on any return required to be filed under the provisions of the Tax Code or rules and regulations, or the full amount of tax due for which no return is required to be filed, on or before the date prescribed for its payment

WHEREAS, in addition to the aforementioned penalty, there shall be assessed and collected on any unpaid amount of tax, interest at the rate of twenty percentum (20%) per annum, or such higher rates as may be prescribed by rules and regulations, from date prescribed for payment until the amount is fully paid.³

WHEREAS, government offices located on the devastated areas were also damaged; Power, water and telecommunications facilities and infrastructures were also affected.

WHEREAS, all government operations have been immobilize except to rescue and relief operations to serve the victim of the catastrophic natural calamity.

WHEREAS, due to the graveness of the result of the devastation by supertyphoon Yolanda, individuals, corporation and other form of business may not comply with the provisions of the National Internal Revenue Code concerning the payment of taxes. Further, they will be prone to surcharges, penalties and interests for their failure to company with our tax laws, rules and regulations.

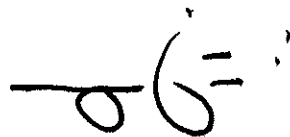
³ Section 249, *Id.*

WHEREAS, the victims, including the employers and investors situated on the affected areas need all the necessary assistance to rebuild, reconstruct and restore their respective businesses in order to continuously provide employment opportunities and boost the economic state of the damaged areas.

WHEREAS, the grant of two-fiscal year tax collections moratorium will give them a leg to stand on to help them rebuild their lives, jobs, businesses, investments and other sources of income.

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the Philippine Senate, urging the Bureau of Internal Revenue to grant and implement two-fiscal year moratorium on collection of all taxes to accelerate the recovery of livelihoods and business enterprises within the areas greatly affected by the supertyphoon Yolanda.

ADOPTED,

A handwritten signature in black ink, appearing to read 'J. Ejercito', with a horizontal line extending to the left of the first letter.

JOSEPH VICTOR G. EJERCITO