



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

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SENATE  
Res. No. **544**

RECEIVED BY: *[Signature]*

Introduced by Senator SONNY M. ANGARA

**RESOLUTION DIRECTING  
THE COMMITTEE ON WAYS AND MEANS TO CONDUCT AN INQUIRY, IN AID  
OF LEGISLATION, ON THE URGENT NEED TO INCREASE THE REVENUE  
COLLECTION OF THE BUREAU OF INTERNAL REVENUE (BIR) IN ORDER TO  
MEET ITS COLLECTION TARGET**

WHEREAS, revenue collection is vital to the government's ability to deliver basic services to the Filipino people and, hence, should be of utmost concern of the state in its pursuit for sustainable and inclusive development;

WHEREAS, the BIR, in spite of its laudable efforts, has missed to meet its annual revenue target collection set by the Development Budget Coordinating Committee (DBCC), ranging from PhP4.2 billion in 2005 to a high of PhP66.37 billion in 2009, with 2013 collection short of target by PhP37 billion;

WHEREAS, the BIR's target collection for 2014 amounts to PhP1.456 trillion, 16% higher than the PhP1.254 trillion target for 2013, might not be met again if the obstacles and constraints the BIR encounter are not understood and properly addressed;

WHEREAS, tax leakage from evasion remains to be a major problem hounding our country. Alleged incidences of tax evasion and underdeclaration made by several self-employed individuals and business owners diminish the revenue of the State through loss of potential revenue from taxes estimated at P380 billion to P450 billion - revenues crucially needed to augment the social programs and rehabilitation efforts of the government;

WHEREAS, the BIR has recently issued Revenue Memorandum Circular No. 7-2014 that reiterates the need for Marginal Income Earners (MIEs), or those individuals who are self-employed, deriving gross sales or receipts not exceeding P100,000.00 principally whose activities are solely for subsistence or livelihood, to fulfil their registration and compliance requirements, including the filing of returns and paying taxes due thereon, as a measure to help it improve its collection performance;

WHEREAS, while realizing the need for the MIEs and the informal sector to contribute and help in alleviating the burden of paying taxes, focus must likewise be urgently given to the individual taxpayers who are self-employed or in practice of professions from which 73% of tax leakage on individual income taxes is attributed to according to the study of the National Tax Research Center;

WHEREFORE, be it resolved by the Senate of the Philippines, to direct the Committee on Ways and Means to conduct an inquiry, in aid of legislation, on the Bureau of Internal Revenue's urgent need to sustainably increase revenue collection to meet the financial and economic needs of our country.

Adopted,

A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a long, sweeping horizontal line that curves upwards at the end.

SENATOR SONNY M. ANGARA