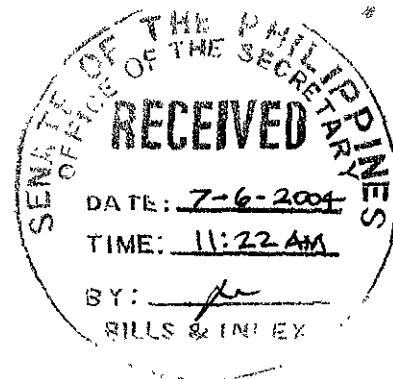


13th CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



SENATE

S.B. NO. 1365

Introduced by Senator Ralph G. Recto

EXPLANATORY NOTE

It is the policy of the State to develop and enhance our human resources. In particular, in this era of globalization, it is of utmost interest for the country to educate, train, mold, and develop our tax collectors and administrators to become effective and efficient public servants and bread winners.

Taxes are the lifeblood of the government. The increasing needs of a growing population and the pursuit of socio-economic development necessitate a substantial rise in tax collection. Unfortunately, our tax effort in relation to Gross Domestic Product (GDP) has been declining, i.e., from 16.3% in 1995, 16.9% in 1996, down to only 12.3% in 2002 and 2003.

It has also been noted that our tax collectors, being bread winners, should be given due importance, particularly in this era of rapid transformation and technological change. They should be equipped with the requisite knowledge, training, skills, and expertise in tax collection, including moral fitness and work ethics.

It is ironic that we have many institutes or academies that provide specialized training in the various aspect of public service, such as: Local Executive Academy, Judiciary Academy, Tourism Academy, Philippine Military Academy, Philippine National Police Academy but we do not have a Tax Institute or Tax Academy to train and develop our tax collectors and administrators.

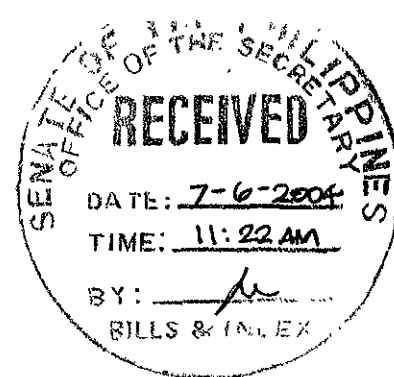
It is therefore urgent that we create a Tax Academy or Tax Institute that will be staffed by a corps of professional lecturers in the fields of taxation, finance, and revenue administration, among others, to provide the basic theoretical construct and experiential knowledge to prospective and incumbent revenue collectors and administrators.

It is envisioned that in the long run, this will contribute to enhanced tax collection efficiency and tax administration. Thus, this will help raise our tax effort and arrest our growing budget deficit.

Passage of this bill is therefore earnestly requested.


RALPH G. RECTO

13th CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



SENATE
S. BILL NO. 1365

Introduced by Senator Ralph G. Recto

AN ACT
CREATING THE PHILIPPINE TAX ACADEMY, DEFINING ITS POWERS AND
FUNCTIONS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:

1 Section 1. **Short Title.** – This Act shall be known as the "Philippine Tax
2 Academy Act."

3 Section 2. **Declaration of Policy.** –It is hereby declared to be the
4 policy of the State to encourage, train, mold, and develop our tax
5 collectors and administrators to become effective and efficient public
6 servants for the national interest.

7 It is likewise the policy of the State to enhance and develop our
8 human resources, particularly in the field of tax administration by creating
9 a specialized institution that will provide them with the appropriate
10 education, training, skills, and values.

11 Section 3. **The Philippine Tax Academy.** – There is hereby created a
12 Philippine Tax Academy, which shall be a separate component unit of the
13 Department of Finance and shall operate under its administration,
14 supervision and control.

15 Section 4. **Purpose.** – The Philippine Tax Academy shall serve as the
16 training school for tax collectors and administrators. For this purpose, it
17 shall provide and implement a curriculum for tax collectors and

1 administrators, and shall conduct seminars, workshops and other training
2 programs designed to mold, develop, and enhance their skills and
3 knowledge, moral fitness, efficiency and capability. It shall perform such
4 other functions and duties as may be necessary in carrying out its
5 mandate.

6 Section 5. **Location.** – The Philippine Tax Academy shall be located
7 in Tagaytay City, or in such other place or places as the Department of
8 Finance may determine.

9 Section 6. **Governing Board.** – The Philippine Tax Academy shall
10 have a Governing Board to be known as the Board of Trustees, composed
11 of the Secretary of Finance as *ex-officio* Chairman, the Bureau of Internal
12 Revenue (BIR) and Bureau of Customs (BOC) Commissioners as *ex-officio*
13 Vice-Chairmen; representatives from the academe with at least five (5)
14 years of teaching experience in a reputable school.

15 Section 7. – The Philippine Tax Academy shall be staffed by a corps
16 of professional lecturers with knowledge of education and actual
17 experience in taxation, public finance, and revenue administration,
18 among others. A lecturer shall be nominated by any of the Board of
19 Trustees.

20 Section 8. The Philippine Tax Academy may enter into a consortium,
21 agreement with the University of the Philippines, and other training
22 institutions for the development and implementation of the curriculum
23 programs.

24 Section 9. **Funding.** – The amount necessary to carry out the
25 purposes of this Act, including the operation, maintenance and
26 improvement of the Philippine Tax Academy shall be included in the

1 General Appropriations Act and every year thereafter under the program
2 of the Department of Finance.

3 Section 10. **Auditing.** – The book of accounts of the Philippine Tax
4 Academy shall be subject to periodic audit by the Commission on Audit.

5 Section 11. **Annual Report.** – The Philippine Tax Academy shall
6 render to the President of the Philippines and the Secretary of Finance an
7 annual report of its activities, accomplishments, and recommendations.

8 Section 12. **Repealing Clause.** – All laws, decrees, orders, rules and
9 regulations, policies, programs or parts thereof, that are inconsistent with
10 any of the provisions of this Act, are hereby repealed, amended or
11 modified accordingly.

12 Section 13. **Separability Clause.** – If for any reason, any section or
13 provision of this Act is declared to be unconstitutional or invalid, the other
14 sections or provisions hereof which are not affected hereby, shall continue
15 in full force and effect.

16 Section 14. **Effectivity.** – This Act shall take effect fifteen (15) days
17 after its complete publication in the Official Gazette or in at least two (2)
18 newspapers of general circulation, whichever comes earlier.

19 Approved,