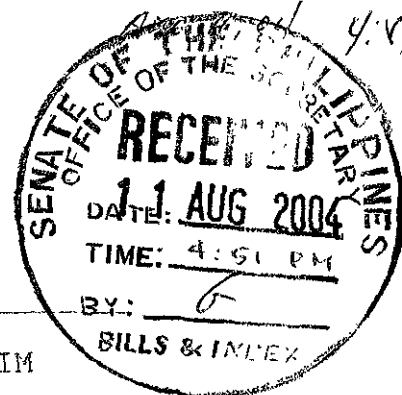


THIRTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
FIRST REGULAR SESSION )

SENATE  
S.B. No. 1721



Introduced by SENATOR ALFREDO S. LIM

EXPLANATORY NOTE

AN ACT  
REQUIRING ALL PUBLIC OFFICERS TO SUBMIT THEIR  
RESPECTIVE INCOME TAX RETURNS FILED WITH THE  
BUREAU OF INTERNAL REVENUE FOR THE LAST TEN (10)  
YEARS AND FOR OTHER PURPOSES.

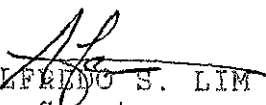
Businessmen, politicians, laymen and church leaders, including the downcast blame the decadence, retrogression and failure in our society to corruption. Corruption is the cancer yet the steady buddy of public officers whose creed is to enrich himself at the expense of public service and money.

The best badge of a thriving putrid activity is the unexplained richness amassed by a corrupt public servant.

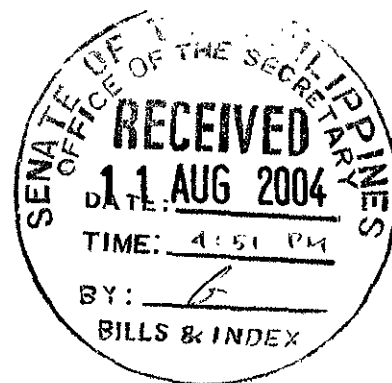
We have many laws against corruption, yet, ineffective because the duty of discovering the errant public official's corrupt activities comes from the public or the government which find difficulty in uncovering his illegally obtained wealth.

This time, we will catch the fish from its own mouth because the public officer himself must reveal his own prior declaration for years about his wealth from which we will have basis to compare his current wealth or richness.

Remotely, the bill also seeks to provide revenue because it is foreseen that the BIR might discover undeclared income or undervalued properties.

  
ALFREDO S. LIM  
Senator

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YEARS AND FOR OTHER PURPOSES.

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

SECTION 1. This Act shall be known as the "PUBLIC  
OFFICERS' WEALTH REVELATION ACT OF 2004".

SECTION 2. Any provision of law, rules and regulations  
to the contrary notwithstanding, all public officers shall  
submit to the Head of their Department a reproduced/machine  
copy in three (3) sets duly certified and signed by them of  
the Income Tax Returns (ITRs) they had filed with the Bureau  
of Internal Revenue for the last ten (10) years prior to  
the effectivity of this Act.

SECTION 3. Should the public officer be unable to  
submit copies of the ITRs, he shall execute a sworn  
statement in three (3) copies to that effect and identify  
the particular BIR regional office or offices where the  
unavailable ITRs were filed and submit the same to the  
Department Head.

SECTION 4. Within thirty (30) days upon receipt of the  
ITRs or the sworn statement of non-availability, the  
Department Head shall transmit one copy to the Bureau of  
Internal Revenue.

SECTION 5. The BIR shall examine, evaluate and  
ascertain the truthfulness of the ITRs as submitted and  
issue a certification to the Department Head not later than  
sixty (60) days from receipt thereof on whether or not the  
reproduced/machine copy as transmitted is genuine and, in  
case of unavailable ITRs as mentioned in the sworn  
statement, the BIR shall ascertain from its file the  
availability of the same and if so available, to transmit  
it to the Department Head. The Department Head of the public  
officer shall be the one referred to under the  
Administrative Code of 1987.

SECTION 6. When it appears from the certified copies of the ITRs or those furnished by the BIR that the assets or income as reflected in the latest ITR is greater by more than 1000% percent on any of the ITRs for the last five (5) years preceding it, the Department Head shall require the public officer concerned to explain in writing within thirty (30) days how he amassed the income or present wealth. Upon submission thereof, the Department Head shall transmit all the certified ITRs and the explanation to the Office of the Ombudsman who shall, not later than six (6) months from receipt of the records, submit its evaluation to the Department Head on whether or not there is *prima facie* evidence that the public officer is liable for prosecution for the unexplained wealth. If the Ombudsman finds such violation, it shall formally charge the public officer and proceed to conduct a preliminary investigation in accordance with law; otherwise, it shall issue a certification of non-violation of the law on unexplained wealth. Subject to the law on prescription provided there is no fraud committed, if the BIR determines that there was a violation of tax laws or that the taxes due based on the income as reflected in the ITRs were not paid in full, it shall make an independent assessment to the public officer concerned for the payment of delinquency tax.

SECTION 7. The Ombudsman is hereby tasked to carry out and implement the provisions of this Act and shall promulgate rules and regulations not later than sixty (60) days from effectivity hereof. The Ombudsman shall submit a report once a year to the Blue Ribbon Committees of both chambers of Congress on the result of its operations and the implementation of this Act.

SECTION 8. The following shall constitute criminal violations of this Act:

(a) Failure or refusal to submit any of the required ITRs within the period required herein;

(b) Furnishing false or fraudulent ITRs to the Department Head or the Bureau of Internal Revenue;

(c) Failure or refusal to submit an explanation on the unusually high income;

(d) Failure of the BIR, the Department Head or of the Ombudsman to act within the period prescribed or fixed herein or its extension; provided, however, that extension not exceeding the original period prescribed may be done by notifying the Office concerned.

SECTION 9. Acts constituting violations of this Act defined under Section 7 shall be punishable by imprisonment from six (6) years to ten (10) years.

SECTION 10. This Act shall take effect thirty (30) days after publication in the Official Gazette.

APPROVED.