



Senator Win Gatchalian  
Chairperson, Committee on Ways and Means  
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## ON TRACK: The Chairperson Moves to Fulfill His Promises

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With the 19<sup>th</sup> Congress now in full swing, the Committee on Ways and Means (Committee) has gone all out in its work to accomplish Senator Win Gatchalian's promise of putting taxpayers first. It is worthy to note that during the Senate Tax Study and Research Office's (STSRO) *Tax Forum Series VII – Patnubay sa 19<sup>th</sup> Congress: A Guide To Navigating Tax Measures*, that was held on 20 July 2022, Sen. Win vowed to protect taxpayers by providing them gold standard treatment; to make sure that taxpaying will be as simple as online shopping; to help the micro, small, and medium enterprises (MSME) community; and to go after erring government officials. As

Chairperson of the Committee, Sen. Win holds both a privilege and a duty to lead the Committee towards achieving his and the Administration of President Ferdinand "Bongbong" R. Marcos, Jr.'s priority tax measures.

**Towards A Better Taxpayer Experience.** On 16 August 2022, Sen. Win filed *Senate Bill No. 1199*, his version of "*The Taxpayer's Bill of Rights and Obligations Act*," which aims to provide taxpayers a better and easier experience in dealing with revenue authorities. *SBN 1199* seeks to improve taxpayers' willingness to comply with their tax obligations and

consequently, increase government revenue collections. In the Committee's hearing of 15 September 2022, *SBN 1199*, together with *SBN 1077* by Sen. Manuel "Lito" M. Lapid and *SBN 1309* by Sen. Ramon Bong Revilla, Jr., received support from key stakeholders such as the Department of Finance (DOF), Bureau of Internal Revenue (BIR), Department of Justice (DOJ), Department of Trade and Industry (DTI), Anti-Red Tape Authority (ARTA), and the Tax Management Association of the Philippines (TMAP). According to the Chairperson, the previous administration carried the heavy burden of implementing tax reforms that were aimed to improve tax collection efficiency. He lamented the fact that the government missed to focus on the most important personality in tax reforms – the taxpayer. He likewise highlighted the plight of MSMEs in fulfilling their tax obligations and sought the assistance of stakeholders in finding ways to improve our MSMEs' tax experience. Further, Sen. Win has been at the forefront of the Committee's deliberations of *The Taxpayer's Bill of Rights and Obligations Act* by personally overseeing its technical working group meetings last 22 and 30 September 2022, and 06 and 12 October 2022.

Complementing the Chairperson's efforts to provide gold standard treatment to our taxpayers, the Committee deliberated on the pending Ease of Paying Taxes (EOPT) bills, i.e. *House Bill No. 4125* by Representatives Joey Sarte Salceda; Mikaela Angela B. Suansing, Nicanor B. Briones, Nelson L. Dayanghirang, et al. and *SBN 1346* by Sen. Win last 14 December 2022, which is the Committee's first hearing since the start of the COVID-19 pandemic with all resource persons physically attending onsite. Sen. Win's version of the EOPT bill seeks to provide administrative reforms to simplify tax compliance, to wit:

- 1) By providing taxpayers the option of filing their returns, and paying taxes due thereon either personally or through electronic means;
- 2) By allowing payment of internal revenue taxes due to any authorized agent bank (AAB), and not only limited to AABs in the revenue district office where the taxpayer is registered;
- 3) By removing the option to pay internal revenue taxes to the city or municipal treasurer that has jurisdiction over the taxpayer;
- 4) By eliminating the distinction between documentation and basis of sales of goods and services, thereby requiring sales invoice for both;
- 5) By allowing the adjustment of the VAT exemption threshold based on the Consumer Price Index; and
- 6) By ensuring the availability of registration facilities to taxpayers not residing in the country.

Sen. Win, in his opening statement in the 14 December 2022 EOPT hearing, highlighted his "simple philosophy" to provide taxpayers a simpler life by enabling them to use new technology in tax compliance, and to clarify and enhance aging tax concepts. He remains hopeful that the EOPT law will make taxpaying convenient and more accurate, encouraging people to register as taxpayers and therefore, broaden our tax base. The EOPT bills have so

far received tremendous support from the DOF, BIR, TMAP, PricewaterhouseCoopers Philippines, RSM Philippines, P&A Grant Thornton, Deloitte Philippines, Chemonics International, SM Investments Corporation, and League of Cities, with the BIR being tapped by Sen. Win in studying more ways to improve the MSME community.

***The Committee's Oversight Functions in 2022.*** In furtherance of its oversight powers, the Committee has looked into Philippine Offshore Gaming Operations (POGO) activities with the conduct of an inquiry on the economic and social costs incurred by the government in dealing with POGOs last 03 and 11 October 2022, and 23 November 2022. The inquiry by the Committee, joint with the Committee on Public Order and Dangerous Drugs that is chaired by Sen. Ronald "Bato" Dela Rosa, tackled three (3) resolutions on POGO filed by Senators Win (PSR 227), Grace Poe (PSR 229), and Joel Villanueva (PSR 225). It must be noted that gambling is inherently attractive to various forms of criminality and the Committee has been studying POGO's benefits and the regulatory framework it is under. With the end in view of providing a win-win solution to the issues related to POGO activities, the Committee is set to provide its recommendations to the plenary in due course.

The Committee likewise conducted its first-ever ocular inspection of premises and walk-through of the modernization programs of the Bureau of Customs (BOC) in Port Area, Manila last 12 December 2022, with the aim of learning more about the BOC's system and processes and understanding roadblocks in Customs administration. The Chairperson, together with Sen. Joseph Victor G. Ejercito, inspected the BOC's Customs Processing Systems and had a walk-through of their Customs Customer Care, X-ray Inspection Program, Customs Operation Center, and Electronic Value Reference Information System (eVRIS). The BOC bared their plans for a new Customs processing system; the development of an administration and back-office enterprise resource planning system; establishment of a data center, network infrastructure, and the Remote Image Analysis Center; and organizational modernization. Sen. Win, in his closing remarks, told the BOC that the activities shed light as to how BOC operates and that the Committee is appreciative of the BOC's efforts to make lives of constituents better, despite any legal issues. He cited the BOC's initiative in creating a system of online or electronic payment of fees, thereby ensuring that our customers like brokers, importers, and consignees are afforded better treatment.

***Transforming Promises to Reality.*** Consistent with the Committee's objective of balancing taxpayers' and revenue authorities' interests, Sen. Win has filed *SBN 1149*, or the *Tax Incentives for Employees on a Work-From-Home or Telecommuting Program*; *SBN 1233*, or the *Income Tax Incentive for Petroleum Service Contractors Act*; *SBN 1320*, or the *Strengthening Local Taxation and the Fiscal Capacity of Local Government Units law*; *SBN 1337*, *Amending Sec. 309 of the NIRC (Transitory and Miscellaneous*

Provisions); SBN 1346, or the *Ease of Paying Taxes Act*; and SBN 1347, or the *Passive Income and Financial Intermediary Taxation Act*.

From here on it looks like the Committee, together with its stakeholders, will be actively engaged in the current Congress in ensuring that the indefati-

gable Chairperson fulfills his promise of protecting taxpayers' welfare, while guaranteeing our sustained revenue growth. With only a few months since the opening of the new Congress, it can be said that Sen. Win and the Committee are on track to carry out the promises that were made in the beginning of the 19<sup>th</sup> Congress.



## STSRD Christmas Message

# CHRISTMAS IN THE MIDST OF COVID-19 PANDEMIC\*

After almost three years of living in a society where human interaction has been literally restricted, and where fear has suppressed our innate desires to gather and enjoy the blessings that abound amidst the risks and threats of the COVID 19 pandemic, we finally have a chance of celebrating this year's Christmas season in a way that we have always wanted – unrestrained and more intimate.

While the pandemic is yet to be totally contained and is far from being over, the situation across countries has significantly improved. With the advent of, and enhanced access to more and better versions of vaccines and medications, the levels of infection, contamination and even death arising from the virus have started to decline in most countries including the Philippines.

With this atmosphere that already bears a semblance of calmness and normalcy, the reasons to celebrate the gift of life and eternal salvation have become even more compelling. If there is one lesson that we have learned from the COVID-19 pandemic, it is the realization that life is indeed borrowed and can be painfully short or fleeting. It has not been forgiving and did not discriminate between the poor and the rich; the weak and the powerful; the good and the wicked. Rather, it has become the embodiment of everything that is dreadful. It came as one horrendous event that has brought extreme fear and anguish in our hearts and which, made us question our own perception about life and death and worse, our faith in God.

Nobody really knows why bad things happen even to a community of God-fearing people. Unlike before when God walked through the earth and spoke His mind to the likes of Abraham and Daniel, our same God of today is seldom if not never seen or

heard. But as we celebrate this year's Christmas and attempt to gather closer with our families and brethren after years of lockdowns and restrictions, let us be reminded that we need not see and hear God to appreciate all the blessings that abound even in the midst of great hardships. All we need is a clean and open heart to feel the real essence of Christmas, which is something beyond material abundance, gift-giving and grand merry-making.

After the devastations brought by the COVID-19 pandemic, the message of Christmas has not changed. It still speaks about the birth of God's Son – Jesus – and the commemoration of the story of how He came to give us love, hope and joy in this world that is laced with troubles and uncertainties. Above all, it is about the salvation of man, which was consummated upon the death and resurrection of our Lord Jesus Christ.



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# STSR ACTIVITIES NOVEMBER - DECEMBER 2022

## Public Hearing on Philippine Offshore Gaming Operators (POGO)



# STSR ACTIVITIES NOVEMBER - DECEMBER 2022

## Public Hearing on Ease of Paying Taxes



# STSRO ACTIVITIES NOVEMBER - DECEMBER 2022

## Ocular Inspection at the Bureau of Customs



# STSR ACTIVITIES

## NOVEMBER - DECEMBER 2022

### Christmas Door Decoration Contest



# STSR ACTIVITIES

## NOVEMBER - DECEMBER 2022

### Christmas Door Decoration Contest

#### HAPPY & GRATEFUL

The inspiration for our door décor design is a cellphone. The middle part is the wallpaper of the cellphone, the border is the outline of the phone, and the leaves are part of the cellphone cover.

One of the things that was highlighted during this pandemic is our need to CONNECT...not just to the people around us but more so to the people we did not get to see as much especially during the lockdowns like our relatives, friends, and even our officemates. Through our cellphones, we are able to connect to the people who matter to us regardless of where we might be. And this gives us a feeling of joy, which makes us appreciate all the blessings we have despite of the changes brought by this pandemic. Plus, whenever we flip out our phones during gatherings or even when we're alone, we can't help but pose and show our brightest smile (instant happiness). The icons of a full signal, and good Wi-Fi collectively symbolize the strength of our CONNECTION with our loved ones, and these makes our happybatteries fully charged. The home button in our cellphone holds the logo of our office, which simply means that the STSRO is our home.

Our cellphone not only serves as a tool for connectivity but also holds our precious memories...our photos. Whenever we feel sad or bored, we just have to flip through the albums in our phone gallery and instantly we feel happy. This is because we are reminded of the stories behind each photo. This is why we showcased our different happy memories as captured in these photos. This collage/mosaic is made up of our "kainan" or salo-salo pictures, from our pre-hearing and post-hearing activities, teambuilding, pictorials, and even some from our GVGV Thursdays. The "GVGV Thursday" is a tradition of the STSRO that started during the WFH set-up wherein we do one task given by the assigned leader for that day. The tasks could be as simple as sharing a favorite childhood event, milestone, to doing tiktok dance videos. This photo collage is a collection of the happy moments we shared with our STSRO family and also with our family or loved ones.

While we treasure the gifts of family, friends and love, we are honest enough to admit that material and monetary gifts also makes us happy. Hence, these gift boxes with their notable gift tags.

As an expression of gratitude for allowing us to experience these precious happy memories, we also highlighted the birth of our Lord Jesus in our door design. In connection to this, the photo of verses scattered throughout the collage were lifted from our daily prayer and verse sharing from our group chat. This was also our way of asking for protection and giving thanks to our Lord by praying as one family.

In connection to this, the Gratitude Vine, which serves as the cellphone cover, are actually individual thank you notes written by each member. This vine acts to cover or protect our happy memories so that we remember to give thanks to the One who made possible, and to remind us that we have is more than enough.

# STSR O ACTIVITIES

## NOVEMBER - DECEMBER 2022

### Christmas Door Decoration Contest



# STSR ACTIVITIES

## NOVEMBER - DECEMBER 2022

### PLLO-Senate Secretariat Consultative Meeting



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