

[**EXECUTIVE ORDER NO. 430, July 28, 1997**]

**FURTHER STREAMLINING THE BUREAU OF INTERNAL REVENUE
IN LINE WITH ITS COMPUTERIZED INTEGRATED TAX SYSTEM**

WHEREAS, the BIR is undertaking a major transformation to fulfill its vision and mission and achieve its strategic goals;

WHEREAS, the BIR has to provide and prepare for the full implementation of the Computerized Integrated Tax System (CITS) within the years 1997 and 1998 and therefore has to institute simultaneously the changes in its processes, values, skills and structure;

WHEREAS, under Section 20, Chapter 7, Title I, Book III of Executive Order No. 292 (Administrative Code of 1987), the President of the Philippines is empowered to exercise such powers and functions vested in him, which are provided for under the laws;

WHEREAS, under Section 76 of the General Provisions of Republic Act No. 8250 (FY 1997 General Appropriations Act), the President may direct changes in the organization and key positions in any department, bureau or agency;

WHEREAS, under Section 78 of the General Provisions of RA 8250, heads of departments, bureaus and agencies are directed to scale down, phase out or abolish activities no longer essential in the delivery of public services;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Organizational Structure. The organizational structure of the BIR shall define clearly the functions and responsibilities of the National Office and those of the Regional Offices and Revenue District Offices, and other units in the field, as follows:

1. The National Office shall develop and formulate broad national tax administration policies and programs for efficient and effective implementation of internal revenue laws and regulations, and establish general direction, guidance and control of the operations of the internal revenue service. For this purpose, the organizational changes indicated hereunder are adopted:

1.1 The existing functional groups in the BIR are modified to effect the reorientation and realignment of the different services and other units under them.

1.2 The **Commissioner** of Internal Revenue, hereinafter referred to as the Commissioner, shall be the Chief Executive Officer of the BIR and shall be appointed by the President upon the recommendation of the Secretary of Finance, hereinafter referred to as the Secretary. For consistent interaction with both the internal and

external stakeholders, the following services are hereby created directly under the Office of the Commissioner:

1.2.1 **Policy and Planning Service** which shall be responsible for the formulation of policies and guidelines on strategic and operational planning; establishment of performance evaluation measures; monitoring and evaluation of accomplishments and changes in policies, plans and programs; allocation of annual revenue goal; evaluation of the impact of new tax measures; monitoring of macro-economic performance; and such other related functions as may be assigned to it by the Commissioner.

1.2.2 **Internal Affairs Service** which shall be responsible for the spot-checking of cash and property accountabilities of all accountable officers; inspection of procured supplies and services in compliance with approved specifications and standards; conduct of audit of personnel performance and internal systems, as well as computer systems; formulation of the internal security program; and such other related functions as may be assigned to it by the Commissioner.

1.3 The **Operations Group**, which shall be headed by a Deputy Commissioner to be appointed by the President upon recommendation of the Commissioner, shall be composed of the following Services:

1.3.1 **Collection Service** which shall be responsible for the formulation of policies and programs on collection activities; administration of a nationwide collection program; determination of compliance and measurement of performance with set programs; monitoring of collection accountabilities; and such other related functions as may be assigned to it by the Commissioner.

1.3.2 **Assessment Service** which shall be responsible for the formulation of policies and programs relative to assessment activities; administration of a nationwide assessment program; determination of compliance and measurement of performance with set programs, and such other related functions as may be assigned to it by the Commissioner.

1.3.3 **Taxpayers Assistance Service** which shall be responsible for the provision of one-stop-shop services to taxpayers' information and education program; maintenance of customers' feedback mechanism; analysis and evaluation of ways to improve services to taxpayers; conduct of studies on new service requirements of taxpayers; and such other related functions as may be assigned to it by the Commissioner.

1.4 The **Legal and Enforcement Group**, which shall be headed by a Deputy Commissioner who shall be appointed by the President upon recommendation of the Commissioner, shall be composed of the following Services:

1.4.1 **Legal Service** which shall be responsible for the formulation of policies and guidelines on the processing of requests for tax exemptions and claims for informer's reward; preparation of rulings and opinions of first impression; preparation of tax legislations, regulations and other issuances; drafting and interpretation of tax treaties; and such other related functions as may be assigned to it by the Commissioner.

1.4.2 **Enforcement Service** which shall be responsible for the investigation of tax fraud, industry audit and other policy cases; monitoring and evaluation of regulatory