

**[ LTO MEMORANDUM CIRCULAR NO. 687-2006,  
February 23, 2006 ]**

**RULES ON GIFTS AND BENEFITS**

Pursuant to the provisions of RA No. 6713 otherwise known as Code of Conduct and Ethical Standards for Government Officials and Employees, in relation with Sections 4 and 10 of Article II of the LTO Code of Conduct and in line with the on-going Integrity Development Program, the following rules on gifts and benefits shall govern for all officials and employees of the LTO.

**Rule I. Scope**

These Rules shall apply to all officials and employees of the Land Transportation Office, in addition to other prohibitions on soliciting and receiving gifts and benefits imposed by law.

**Rule II. Policies and Rules**

*SECTION 1.* As used herein, the term:

- A. Gift – refers to a thing disposed of gratuitously in favor of another, and shall include a simulated sale or a disposition which is onerous to the giver and/or unduly beneficial to the recipient.
- B. Benefit – refers to a right, privilege, entertainment, exemption or any other similar act of liberality in favor of another.
- C. Agent – a person who acts in representation of another.
- D. Nominal value – refers to the value of a gift, which is not more than One Thousand Pesos (Php 1,000.00).

*SECTION 2.* LTO officials and employees shall not accept or receive gifts and/or benefits, directly or indirectly, from any of the following:

- a. Motor vehicle owners and their agents;
- b. Applicants for driver's license, student permit and conductor's license and their agents;
- c. Apprehended drivers, operators and their agents;
- d. Owners of Drug Testing Centers, Private Emission Testing Centers and Insurance Companies and their agents;
- e. Manufacturers, Assemblers, Importers, Dealers and their agents;
- f. Suppliers and contractors, and their agents;
- g. Personnel for promotion and those with pending cases and their agents;
- and
- h. Parties transacting business with the Office.