

Chapter I – GENERAL PROVISIONS

Section 1. Title

This Code shall be known as the **Revised Code of Conduct for Bureau of Internal Revenue (BIR) Officials and Employees.**

Section 2. Declaration Of Policy

Public office is a public trust. It is the policy of the State to promote a high standard of ethics in public service. Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence and loyalty; act with patriotism and justice; lead modest lives; and uphold public interest over personal interest.¹

Section 3. Purpose Of The Code

In order to maintain public confidence in the BIR, as well as in the integrity and professionalism of its personnel, this Code prescribes the standards of required behavior expected in the performance of official duties. The Code envisions to achieve excellence from the services rendered by each and every Revenue Official or Employee as it prescribes the responsibilities and obligations of his/her office.

Section 4. Framework For The Code

This Code of Conduct has been adopted in accordance with the 1987 Constitution of the Philippines, National Internal Revenue Code of 1997, as amended, and other relevant laws, and shall be read in conjunction with Civil Service Commission Rules and BIR policies, regulating the conduct of every Revenue Official or Employee.

Section 5. Jurisdictional Coverage Of The Code

This Code applies to and is binding upon every Revenue Official or Employee. It must be strictly observed from the commencement of his/her official duties with the BIR until resignation, retirement or separation from the revenue service. Strict compliance therewith is mandatory.

Section 6. Breach Of The Code

This Code relates to both performance and conduct behavior. Failure to abide with the provisions of this Code shall be a ground for administrative disciplinary action.

¹ RA No. 6713, Code of Conduct and Ethical Standards for Public Officials and Employees and Article XI, Section 1, 1987 Constitution

Section 7. Dissemination Of The Code

The following revenue officials shall be responsible for ensuring the proper information and dissemination of this Code to every Revenue official and employee:

- The Commissioner, Deputy Commissioners, Assistant Commissioners and the respective Head Revenue Executive Assistants, with respect to the National Office; or,
- The Regional Directors and Assistant Regional Directors, with respect to the Revenue Regions; or,
- The Chiefs of Divisions, their Assistant Chiefs and Section Chiefs, with respect to the Division levels; or,
- The Revenue District Officers, Assistant Revenue District Officers and Section Chiefs and Unit Heads, with respect to the Revenue District Offices.

It shall be the responsibility of the Chief of the Personnel Division and the respective heads of offices of the Bureau to see to it that each and every Revenue Official or Employee receives a copy of this Code. Each head of office shall prepare and submit to the Inspection Service the List of BIR personnel to whom copies of the Code (Annex "1" hereof) were issued. The Memorandum Receipt (Annex "2" hereof), signed by each and every revenue personnel to acknowledge receipt of copy of the Code, shall be submitted by the head of office to the Personnel Division. The Personnel Division's copy shall form part of the Revenue Official or Employee's 201 File and will be considered by the BIR as proof that one has read the entire contents of this Code.

Newly hired/appointed revenue personnel shall also be furnished a copy of this Code, in accordance with the aforementioned requirements.

Section 8. Definition Of Terms

For purposes of this Code, the following terms or phrases shall be defined as follows:

- a) "**Annual Gross Salary**" shall refer to all forms of compensation actually received from the BIR, *except per diem*.²
- b) "**Assets**" shall refer to any property; or anything which is or may be the object of appropriation or use; or anything by which liabilities can be paid; or anything of value; and any probable future economic benefit obtained or controlled as a result of past transaction or event.³

² CSC Manual on SALN

³ CSC Manual on SALN

- c) **“Being Notoriously Undesirable”** shall refer to an offense based mainly on the general reputation of one’s character due to bad attitude, being quarrelsome and/or delinquent by virtue of repeated infractions of office rules or creating trouble in the workplace (e.g. rumor mongering, quarrelsome attitude, possessing troublesome character). The focus of this offense is the totality of one’s conduct in office and not one’s liability for the individual acts.⁴
- d) **“Benefits”** shall refer to a right, privilege, entertainment, exemption or any other similar act of liberality in favor of another.
- e) **“Bribery”** shall be classified into:
 - i. **“Direct Bribery”** - which is committed when one: (1) agrees to perform an unlawful act/duty, in consideration of an offer, promise, gift or present, relating to the performance of one’s official functions, personally or through the mediation of another; or (2) accepts a gift in consideration of the execution of a lawful act/duty relating to the performance of one’s official functions; or (3) agrees to refrain from doing something which is one’s official duty to do, in consideration of a gift or promise.⁵
 - ii. **“Indirect Bribery”** – which is committed when one accepts gifts being offered by reason of one’s office.⁶
- f) **“Business Interest”** shall refer to any existing interest in any business enterprise or entity, whether as proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, owner, among others, with an expectation of return on capital and industry/service for profit.⁷
- g) **“Close Personal Relation”** shall include close personal relationship, social or fraternal connections, and professional employment, all giving rise to intimacy which assures free access to Revenue Official or Employee.⁸
- h) **“Compensation”** shall refer to the basic pay or salary received pursuant to one’s employment/appointment, excluding per diems, bonuses, overtime pays, and allowances.⁹

⁴ As cited in Laguilles, Cesar P., CSC Resolution No. 99-0026, January 6, 1999

⁵ Article 210, The Revised Penal Code, Luis B. Reyes, 15th Edition, 2001

⁶ Article 211, The Revised Penal Code, Luis B. Reyes, 15th Edition, 2001

⁷ CSC Manual on SALN

⁸ Section 4, RA No. 3019, Anti-Graft and Corrupt Practices Act

⁹ Section 2(i), Presidential Decree No. 1146 (Government Service Insurance Act of 1987)

- i) **“Complaint”** shall refer to a written document subscribed and sworn to by the complainant containing a narration of relevant and material facts which shows the acts and/or omissions allegedly committed.¹⁰
- j) **“Conduct Prejudicial to the Best Interest of the Service”** shall refer to the conduct which will give a bad image to the BIR.¹¹
- k) **“Conflict of Interest”** shall refer to a situation where a member of a board, or an officer or a stockholder of a private corporation, with a substantial interest in a business, and the interest of such corporation or business, or one’s rights or duties therein, may be opposed to or be affected by the faithful performance of official duty.¹²
- l) **“Disgraceful and Immoral Conduct”** shall refer to an act which violates the basic norm of decency and morality and is repulsive to normal standards of decency, morality and decorum. It is an act which society abhors and condemns and must be penalized as the conduct requires one to be beyond reproach.¹³
- m) **“Dishonesty”** shall refer to the concealment or suppression of truth relevant to one’s office or connected with the performance of one’s duties; or an absence of integrity, or a disposition in bad faith intended to betray, cheat, deceive or defraud. It generally implies deceit or intention to deceive or cheat.¹⁴ This Code classifies the offense of Dishonesty depending upon its degree of commission, to wit: (1) **Serious Dishonesty**, (2) **Less Serious Dishonesty**, and (3) **Simple Dishonesty**.
- n) **“Disloyalty to the Republic”** shall refer to an act committed when there is abandonment or renunciation of one’s loyalty to the government or an act advocating the overthrow of the government.¹⁵
- o) **“Divestment”** shall refer to the manner of transferring and/or divesting oneself of interest or title in a property by voluntarily, completely and actually depriving or dispossessing oneself of such right or title in favor

¹⁰ Section 8, Rule II CSC Resolution No. 991936 (Uniform Rules on Administrative Cases in the Civil Service)

¹¹ Grande, Handbook on Investigation of Administrative Disciplinary Cases in the Philippine Civil Service, 2000 Edition

¹² Section 3 (i), RA 6713 ,Code of Conduct and Ethical Standards for Public Officials and Employees

¹³ Ayuste, Gina P., CSC Resolution No. 00-0185, January 24, 2000 citing Bumalag, Angelo, CSC Resolution No. 94-2477, May 3, 1994

¹⁴ Moreno, Philippine Lam

w Dictionary, 3rd Edition citing Arca vs. Lepanto Consolidated Mining Co., 17679-R, November 24, 1958

¹⁵ Paragraph 7, Section 8, Presidential Decree No. 971, July 27, 1976

of a person or persons other than one's spouse and relatives as defined by this Code.¹⁶

- p) **"E-Complaint"** shall refer to an electronic system of filing a valid and verifiable complaint, thru the BIR's official website, against one who has failed to act in accordance with the provisions of this Code.¹⁷
- q) **"Extortion"** shall refer to the act of obtaining property from another, induced by wrongful use of actual or threatened force, violence, or fear, or under color of official right.¹⁸
- r) **"Falsification"** shall refer to the misrepresentation of a thing, fact, or condition, certifying that a thing is true when it is not, whether one has the right to make the representation or certification. It also refers to the commission of a deliberate falsehood with the intent to deceive.¹⁹
- s) **"Financial and Material Interest"** shall refer to pecuniary or proprietary interest by which a person will gain or lose something.
- t) **"Financial Connection"** shall refer to any existing connection with any business enterprise or entity, whether as lawyer, legal consultant or adviser, financial or business consultant, accountant, auditor, and the like, with an expectation of remuneration for services rendered.²⁰
- u) **"Grave Misconduct"** shall refer to an act committed which carries with it the elements of corruption, clear intent to violate the law, and/or flagrant disregard of established rule.²¹
- v) **"Gross Neglect of Duty"** shall imply wanton negligence and open disregard of one's duties and functions.²²
- w) **"Frequent Unauthorized Absences"** shall refer to an act by one who incurs unauthorized absences exceeding the allowable 2.5 days monthly leave credit under the leave law for at least three (3) months in a semester or at least three (3) consecutive months during the year.²³
- x) **"Habitual Drunkenness"** shall refer to the custom or habit of getting drunk; the constant indulgence in stimulants, whereby intoxication is produced not in the ordinary use, but in the habitual use of them.²⁴

¹⁶ Section 3 (j), R A No. 6713

¹⁷ CSC Resolution No. 060538

¹⁸ Black's Law Dictionary, 6th Edition

¹⁹ People vs. Bacalso. 1899-R, July 24,1950

²⁰ CSC Manual on SALN

²¹ Landrito vs. CSC, 223 SCRA 564 citing In Re: Impeachment of Horilleno, 43 Phil. 212 (1922)

²² As cited in Ventayen, Ferdinand B., CSC Resolution No. 00-1453, June 16, 2000

²³ Section 22 (q), EO 292, Omnibus Rules Implementing Book V of the Administrative Code of 1987

²⁴ Black's Law Dictionary, 4th Edition

- y) **“Habitual Tardiness”** shall refer to an act where one incurs tardiness, regardless of the number of minutes or hours, with ten (10) times late every month for at least two (2) months in a semester or at least two (2) consecutive months during the year.²⁵
- z) **“Immediate Members of the Family”** shall refer to one’s spouse and dependent children, not more than twenty-one (21) years of age, unmarried and not gainfully employed or if such dependent regardless of age, is incapable of self-support because of mental or physical defect, and dependent parents.²⁶
- aa) **“Incompetence”** shall refer to the lack of ability and/or legal qualification or fitness to discharge the required duty, or want of physical, or intellectual and/or moral fitness.²⁷
- bb) **“Inefficiency”** shall refer to the lack of adequate ability and fitness for the attainment of a satisfactory performance of official duty by reason of vice or vicious habits. There should be present want of physical, moral and/or intellectual quality which substantially incapacitates one to perform the duty of an office.²⁸
- cc) **“Insubordination”** shall refer to the deliberate and willful refusal to comply with a lawful request and/or order of a higher authority. It involves undue disregard of said lawful order and/or willful disrespect of it.²⁹
- dd) **“Just Debts”** shall mean: (1) claims adjudicated by a court of law, or (2) claims, the existence and justness of which are admitted by the debtor.³⁰
- ee) **“Lobbying”** shall mean personal solicitation to induce legislators to vote on certain legislation. It includes the passage or defeat of pending bills which affect one’s interest or the interests of one’s clients.³¹
- ff) **“Modest and Simple Living”** shall refer to a standard required in relation to the lifestyle of living vis-à-vis one’s visible means of income as correctly disclosed in one’s income tax returns, annual statement of

²⁵ Section 22 (q), EO 292

²⁶ Section 35 NIRC

²⁷ Homecillo, Carmelito V., CSC Resolution No. 97-0792

²⁸ BORJA vs. ONGSINGCO, 59 OG 3774

²⁹ Sobrepeña, Carmelita G., CSC Resolution No. 00-1288, May 30, 2000

³⁰ Section 23 (i), EO 292

³¹ Black’s Law Dictionary, 5th Edition, 1979

assets, liabilities and net worth, and other documents relating to financial and business interests and involvements.³²

- gg) **“Moral Turpitude”** shall refer to the act which is contrary to justice, honesty, modesty and/or good morals.³³
- hh) **“Neglect of Duty”** shall refer to the failure to do and/or perform any, some, or all of the duties of one’s office and when such failure, from the gravity of the case and/or frequency of the instances, becomes so serious in its character as to endanger or threaten the public welfare, order and/or security.
- ii) **“Nepotism”** shall refer to all appointments in the BIR made in favor of a relative within the third degree of consanguinity or affinity of the appointing or recommending authority, or of the Chiefs of office of the BIR, and/or of a Revenue Official exercising immediate supervision over him/her.³⁴
- jj) **“Official Document”** shall refer to a document which is issued by an authorized/competent Revenue Official in the exercise, or performance of one’s official duties.
- kk) **“Oppression”** shall refer to an act of cruelty, severity, unlawful exaction, domination and/or excessive use of authority.³⁵
- ll) **“Partisan Political Activity”** shall refer to an act designed to promote the election or defeat of a particular candidate to a public office and shall include acts enumerated under Section 10 (A) of this Code.
- mm) **“Procurement”** shall refer to the acquisition of goods (all items, supplies, materials and general support services, except consulting services and infrastructure projects, which may be needed in the transaction of the public business or in the pursuit of any of the BIR’s undertaking, project or activity, whether in the nature of equipment, furniture, stationery, materials for construction, or personal property of any kind, including non-personal or contractual services, such as repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services, as well as procurement of materials and supplies contracted by the BIR), consulting services, and/or the contracting for infrastructure projects by the BIR.³⁶

³² Section 8, Rule VI, Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees

³³ Zari vs. Flores, 94 SCRA 317

³⁴ Section 59 (1) Subtitle A, Title I, Book V, EO 292

³⁵ CSC Resolution No. 95-2125, March 21, 1995

³⁶ Section 5, Republic Act No. 9184 (Government Procurement Reform Act)

- nn) **“Prohibited Drug”** shall include opium and its active components and derivatives, such as heroin and morphine; coca leaf and its derivatives, principally cocaine; alpha and beta eucaine; hallucinogenic drugs, such as mescaline, lysergic acid diethylamide (LSD) and other substances producing similar effects; Indian hemp and its derivatives; all preparations made from any of the foregoing and other drugs, whether natural or synthetic, with the physiological effects of a narcotic drug.³⁷
- oo) **“Prohibited Gift”** shall refer to the gift which is given to a Revenue Official or Employee in anticipation of and/or in exchange for a favor.³⁸
- pp) **“Public Document”** shall refer to a document created, executed or issued by authorized/competent Revenue Officials in response to the exigencies of the public service, or in the execution of which said Revenue Officials intervened.³⁹ It also refers to any instrument notarized by a notary public or a competent public official, with the solemnities required by law.⁴⁰
- qq) **“Refusal to Perform Official Duty”** shall refer to the unjustified refusal under a duty to perform and/or an act signifying an intention not to perform.
- rr) **“Relatives of Revenue Official and Employee”** shall refer to any and/or all persons who are relatives within the fourth civil degree of consanguinity (relationship by blood) or of affinity (relationship by marriage), including *bilas* (*husbands of two sisters*), *inso* (*wives of two brothers*) and *balae* (*parents of husband and wife*).⁴¹
- ss) **“Revenue Issuances”** shall refer to all issuances made by the Commissioner and/or his/her duly authorized representatives such as but not limited to Revenue Regulations (RR), Revenue Memorandum Orders (RMO), Revenue Memorandum Circulars (RMC), Revenue Audit Memorandum Orders (RAMO), Revenue Delegation Authority Orders (RDAO), Revenue Administrative Orders (RAO), Revenue Memorandum Rulings (RMR), Revenue Bulletins (RB), Revenue Travel Assignment Orders (RTAO) and Revenue Special Order (RSO).⁴²

³⁷ Section 2 (e)(1), Republic Act No. 6425 (The Dangerous Drugs Act of 1972)

³⁸ Section 3 (d), Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees)

³⁹ U.S. vs. Asensi, 34 Phil. 765

⁴⁰ Cacnio, et al. vs. Baens, 5 Phil. 742

⁴¹ Section 3 (k), Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees)

⁴² RMO No. 13-2005

- tt) **“Revenue Employees”** shall include all revenue personnel other than Revenue Officials, whether permanent, temporary, casual or contractual.
- uu) **“Revenue Officials”** shall include the Commissioner, Deputy Commissioners, Assistant Commissioners and Head Revenue Executive Assistants; Regional Directors and Assistant Regional Directors; Division Chiefs, Assistant Division Chiefs and Section Chiefs; Revenue District Officers, Assistant Revenue District Officers and Section Chiefs or Heads of Units.
- vv) **“Salary”** shall refer to the fixed amount of money paid to a Revenue Official or Employee as consideration for services rendered, which consists only of the gross salary, without other benefits or emoluments.⁴³
- ww) **“Sexual Harassment”** shall refer to the act committed by one who, having authority, influence or moral ascendancy over another in a work or training or education environment, demands, and requests or otherwise requires any sexual favor from the other, regardless of whether the demand, request or requirement for submission is accepted by the latter.⁴⁴
- xx) **“Simple Misconduct”** shall refer to any unlawful behavior by a public officer in relation to the duties of his office, willful in character. The term embraces acts which the office holder had no right to perform, acts performed improperly and failure to act in the face of an affirmative act or duty.⁴⁵
- yy) **“Smoking”** shall refer to the carrying of a lighted cigarette, cigar, pipe or other smoking paraphernalia, whether or not the same is being puffed, inhaled or smoked.⁴⁶
- zz) **“Substantial Stockholder”** shall refer to one who owns, directly or indirectly, shares of stock sufficient to elect a director of a corporation.⁴⁷
- aaa) **“Transfer of Personnel for Humanitarian Reason”** shall mean the transfer/reassignment of a Revenue Official or Employee to another place of assignment due to persistent health problems that require extensive treatment, including one’s immediate member of the family, or due to fortuitous events or force majeure. It covers natural disasters

⁴³ CSC Manual on SALN

⁴⁴ Section 3, RA No. 7877, Anti Sexual Harassment Act of 1995

⁴⁵ Maaliw, Willie Fernando S. CSC Resolution No. 00-1290, June 1, 2000.

⁴⁶ RMO No. 8-2002

⁴⁷ Section 3(f), RA No. No. 6713

or other acts of God (fortuitous event), war or other events beyond the control of man, as well as those unforeseen events caused by acts of man (force majeure).

Section 9. Principles and Norms of Conduct for Revenue Officials and Employees⁴⁸

Every Revenue Official or Employee shall, in the discharge and execution of one's official duties, observe the following Principles and Norms of Conduct:

- a) At all times, uphold the Constitution and laws of the Republic of the Philippines, and shall place loyalty to country above persons or party;
- b) Commit to the democratic way of life and values, and maintain the principle of public accountability;
- c) Uphold public interest over and above personal interest. Disclose one's private and other interests, which may appear to be in conflict with one's official duties, and take all reasonable steps to prevent or resolve such conflict;
- d) Use all government resources and facilities efficiently, honestly and economically to avoid wastage of public funds and revenues;
- e) Perform one's responsibilities with utmost dedication to duty and discharge one's duties with the highest degree of integrity, honesty, excellence, professionalism, and impartiality.
- f) Desist from taking advantage of one's official functions, status, powers or authority in order to avoid personal gain or desist from obtaining any benefit or gain for another person;
- g) Respect the rights of others and act with courtesy, consideration, sensitivity, fairness and equity in dealings with the public and with one's colleagues; and,
- h) Abstain from extending undue favors on account of one's office to family or relatives, except with respect to appointments to positions which are considered strictly confidential or as members of one's personal staff whose terms are co-terminous with him/her.

⁴⁸ Section 4 of Republic Act No. 6317

Chapter II – RESPONSIBILITY TO THE BIR

Section 10. Support and Loyalty to the BIR

Every Revenue Official or Employee shall render his/her services to the BIR with utmost dedication.

- A. Engaging or participating in any election campaign and partisan political activity is prohibited.

Election campaign and partisan political activity shall include the following acts:⁴⁹

- (1) Forming organizations, associations, clubs, committees or other groups for the purpose of soliciting votes and/or undertaking any campaign for or against a candidate for public office;
- (2) Holding political caucuses, conferences, meetings, rallies, parades, or other similar assemblies, for the purpose of soliciting votes and/or undertaking any campaign or propaganda;
- (3) Making speeches, announcements or commentaries or holding interviews for or against the election of any candidate for public office;
- (4) Publishing or distributing campaign literature or materials designed to support or oppose the election of any candidate for public office;
- (5) Becoming a delegate to any political convention or member of any political committee or directorate or an officer of any political club or other similar political organizations.

Non-compliance therewith shall be considered as Engaging Directly or Indirectly in Partisan Political Activities and shall constitute Grave Offense.⁵⁰

- B. All Revenue officials and employees must uphold and abide by the Oath of Office which includes provisions on loyalty and prohibition against strikes.

Non-compliance therewith shall be considered as Simple Misconduct,

⁴⁹ Section 8, Rule XIII, CSC Memorandum Circular No. 40, s. 1998

⁵⁰ Rule IV, Section 52, CSC Resolution No. 991936

and shall constitute a Less Grave Offense.

- C. As a manifestation of national unity and patriotism and love of country, attendance at the Flag Ceremony every Monday is mandatory and is an integral part of the prescribed regulation on conduct and discipline that must be observed. Thus, failure to attend the Flag Ceremony for two (2) consecutive times in a month and without justifiable cause is an administrative offense.

Non-compliance therewith shall be considered as Violation of Office Rules and Regulations and shall constitute a Light Offense.

Section 11. Enforcement of BIR Policies and Programs

Every Revenue Official or Employee shall endeavor to implement the BIR's policies and programs promptly, conscientiously, efficiently and effectively, and should do his / her part in supporting the BIR's efforts to attain its goals and objectives. Moreover, he / she is expected to be familiar with the Mission and Vision Statements of the BIR.

Non-compliance therewith shall be considered as Inefficiency and Incompetence in the Performance of Official Duties and shall constitute a Grave Offense.

Section 12. Responsibility As Head Of Office

Every Revenue Official who is a Head of Office shall be held fully accountable for his/her decisions and actions. Similarly, he/she shall be liable for the acts, conduct and/or behavior of those under his/her jurisdiction / supervision, if it is proven that he / she has knowledge of, or ought to have known of, such acts, conduct or behavior. He/She shall likewise be responsible for upholding and enhancing the efficiency of all BIR personnel under his/her supervision, and shall report in writing to the proper authorities any incidence of neglect of duty, incompetence or malfeasance of which he/she may obtain knowledge, with a statement of all the facts and/or any evidence relating to each case.⁵¹

He/She shall also ensure that all pertinent issuances affecting the enforcement of the National Internal Revenue Code and its implementing rules are faithfully complied with and enforced by the BIR personnel under his / her supervision.

Non-compliance therewith shall be considered as Simple Neglect of Duty and shall constitute a Less Grave Offense.

⁵¹ Section 11, National Internal Revenue Code of 1997, as amended.

A. Accountability for Government/BIR Money and Property

Every Revenue Official or Employee shall be accountable for any money, property or other thing of value received by, or coming into, his/her custody in connection with the discharge of his/her duties and/or relating to enforcement of internal revenue laws, which must be accounted for and deposited, in accordance with established procedures.

Non-compliance therewith shall be considered as Gross Neglect of Duty and shall constitute a Grave Offense.

B. Use of Government/BIR Time, Property and Equipment

Every Revenue Official or Employee shall have the responsibility to protect and conserve all Government/BIR property, including equipment and supplies entrusted or issued to him/her. He/She is prohibited from using government time, property and/or facilities, including equipment and supplies, for conducting personal business or for unauthorized purposes. A Revenue Official or Employee may be held liable for damage and/or loss of Government/BIR property resulting from his / her negligence and/or the unauthorized use of such property.

Non-compliance therewith shall be considered as Gross Neglect of Duty and shall constitute a Grave Offense.

C. Use of Government/BIR-Owned or Leased Vehicles

Only authorized Revenue Officials and Employees are allowed the use of Government/BIR-owned or leased motor vehicles for official purpose only. Other Revenue personnel may also be allowed to use such motor vehicles when it is deemed essential to the successful completion of an official mission.

Non-compliance therewith shall be considered as Grave Misconduct and shall constitute a Grave Offense.

D. Integrity and Security of Official Documents and Information

Official records or documents are required to be secured at all times to prevent their loss. In this regard, every Revenue Official or Employee shall maintain the integrity and security of all official documents or information under his/her responsibility and custody.

Records and documents that form part of official files are held under strict confidentiality and the same shall not be removed or taken out without any valid reason and after approval from higher authority. It is unlawful to conceal, alter, mutilate, obliterate, or destroy official records or documents or

to remove the same without any official purpose or authority. Disposal or destruction of official records and documents shall be made in accordance with established guidelines and procedures.

Revenue Officials and Employees shall likewise uphold the security and confidentiality of official records or documents by ensuring against the unauthorized use or unnecessary disclosure of the information or data contained therein or coming from the concerned BIR offices or the Revenue Computer System.

A Revenue Official or Employee shall also be accountable for the mutilation, loss, disappearance, or theft of official records or documents or other important data or files due to his/her negligence or undue disregard of the need to ensure the utmost care in the safekeeping thereof.

Non-compliance therewith shall be considered as Gross Neglect of Duty and shall constitute a Grave Offense.

E. Protection and Safekeeping of Government/BIR Money and Property

Protection and safekeeping of all Government/BIR money, property and other accountability entrusted to, or placed under, the revenue official/employee's care and responsibility must be observed strictly. In case of loss and/or damage thereof, due and prompt reporting of the same must be made in accordance with the prescribed rules and guidelines.

Non-compliance therewith shall be considered as Gross Neglect of Duty and shall constitute a Grave Offense.

F. Turn-over of Government/BIR Money and Property

Upon transfer of assignment, resignation, retirement or separation from the revenue service; enforcement of a duly-issued preventive suspension order; or as required by existing rules and regulations, the BIR official/employees concerned shall turn-over properly all Government/BIR money, property and/or accountability under his/her custody or responsibility.

Non-compliance therewith shall be considered as Gross Neglect of Duty and shall constitute a Grave Offense.

Section 13. Compliance with Tax Obligations for Revenue Officials and Employees Engaged In Business and/or Exercise of Profession

Every Revenue Official or Employee engaged in business and/or the exercise of his/her profession shall file the required tax returns and pay the corresponding taxes due thereon in a timely and proper manner.

Non-compliance therewith shall be considered as Willful Failure to Pay Taxes Due to the Government and shall constitute a Light Offense.

Chapter III – RESPONSIBILITY TO THE PUBLIC

Section 14. Performance of High Quality Service

In line with the BIR's guiding principle of ***Service Excellence with Integrity and Professionalism***, every Revenue Official and Employee shall provide services to the public in an equitable, prompt, efficient and professional manner, exercising good judgment in the performance of his/her official duty. Knowledge and expertise are the necessary tools in delivering high quality service, as well as in identifying opportunities and areas for improvement for the benefit of sustained public service.

Non-compliance therewith shall be considered as Inefficiency and Incompetence in the Performance of Official Duties and shall constitute a Grave Offense.

Section 15. Demonstration of Integrity

Every Revenue Official and Employee shall demonstrate integrity and honesty in the performance of his / her responsibilities, bearing in mind the Oath of Office that he/she had solemnly sworn to uphold and protect. Taking advantage of official position to acquire private gain or benefit, for oneself and / or for the members of one's family or other relatives, friends or associates, shall not be allowed. All Revenue Officials and Employees must uphold dignity, fairness and honesty by not allowing undue pressure and influence to affect his/her decisions or orders.

Non-compliance therewith shall be considered as Conduct Prejudicial to the Best Interest of the Service and shall constitute a Grave Offense.

Section 16. Proper Exercise of Discretionary Powers

Notwithstanding the fact that the exercise of discretionary powers is allowed under certain circumstances as provided by law, rules and regulations, the exercise thereof should not be abused. Established rules and procedures should be observed by assuring the paramount interest of the BIR over and above personal interest.

Non-compliance therewith shall be considered as Inefficiency and Incompetence in the Performance of Official Duties and shall constitute a Grave Offense.

Section 17. Maintenance of Good Public Relations

A. Courtesy, Fairness and Impartiality

All Revenue Officials and Employees are expected to uphold good public relations in the discharge of their official duties. A Revenue Official / Employee should conduct himself/herself in a manner that will enhance public respect and confidence. Fair, impartial, effective and efficient dealing with the taxpayers and the general public should be upheld without any fear or favor.

Non-compliance therewith shall be considered as Gross Discourtesy in the Discharge of Official Functions and shall constitute a Less Grave Offense.

B. Uphold Courtesy and Respect in Dealing with Lawyers and Accountants of Taxpayers

Should there be any adverse findings against the tax case of a taxpayer in the course of an audit investigation or other forms of inquiry, such findings should be discussed in an equitable manner and resolved in accordance with prescribed procedures.

The importance of courtesy and respect; and the observance of the prescribed guidelines and procedures in the conduct of tax audit and examination, as well as tax mapping operations and similar activities, must be strictly upheld, in order to foster and maintain cordial relationships with Attorneys and Accountants of taxpayers. It is likewise important to apprise the taxpayers of their rights embodied in the Taxpayer's Bill of Rights and Obligations, which is posted on the BIR Official website.

Non-compliance therewith shall be considered as Discourtesy in the Discharge of Official Functions and shall constitute a Light Offense.

Section 18. Prohibition Against Conflict of Interest and Partiality

A. A Conflict of Interest arises:⁵²

- (1) When a Revenue Official or Employee is:
 - (a) a substantial stockholder; or
 - (b) a member of the Board of Directors of a corporation; or
 - (c) an officer of the corporation; or
 - (d) an owner who has substantial interest in a private business; or,

⁵² Rule IX, Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees

- (2) When a Revenue Official or Employee is a partner in a partnership; and
- (3) When his/her interests in such corporation or business, or rights or duties therein, are opposed to or affected vis-à-vis the faithful performance of his/her official duties.

B. Requirement for Validity of Divestment of Interest

- (1) Resignation from one's position in any private business enterprise within thirty (30) days from one's assumption of office and/or within sixty (60) days from becoming a shareholder or holder of rights thereof. The aforesaid rule shall apply with respect to a partnership where one is a partner.
- (2) If the conditions in Section 18 (A) are present, it shall be mandatory to divest oneself of such interests or participation therein, even if one has already resigned as such stockholder and/or officer of said private entity.
- (3) Transfer of interests or divestment of one's shares/participations shall be done to any individual, firm, or other entity, except to one's spouse and relatives within the fourth civil degree of consanguinity or affinity.
- (4) The rule on divestment of interest shall not apply to the following:
 - (a) Any person, firm or other entity which is not covered by law, or is serving the government in an honorary capacity; and/or,
 - (b) Laborers and casual or temporary workers.

Non-compliance therewith shall be considered as Failure to comply with the Requirement for Validity of Divestment of Interest and shall constitute a Less Grave Offense.

C. Prohibition Against Financial and Material Transactions

- (1) Every Revenue Official or Employee shall not, directly or indirectly, engage in any financial or material dealings or transactions where the approval/clearance of BIR is required.⁵³ Revenue Officials and Employees are prohibited from, directly or indirectly, taking part in any bidding or sale of Government/BIR property under the direct control or supervision of the Government/BIR.

⁵³ Section 7 (a), Republic Act No. 6713

- (2) Government/BIR property or property under the Department of Finance shall not be sold to a Revenue Official or Employee, either directly or indirectly, unless it has been determined that the sale or disposition thereof shall redound to the best interest of the Government/BIR.
- (3) Before making any acquisition of any Government/BIR property or from any agency of the Government, either directly or indirectly, a disclosure of one's employment status with the BIR and the rules relating to sale of Government/BIR property to government employees must be observed.

Non-compliance therewith shall be considered as Violation Against Conflict of Interest and shall constitute a Grave Offense.

D. Prohibition Against Outside Employment and When Allowed

- (1) Employment with the BIR shall be on a full-time capacity and shall constitute as the sole employment of a Revenue Official or Employee. Full-time service to the BIR should be the paramount concern, which should not be subordinated with one's personal interest.

Engaging in the practice of a profession or business, outside of one's employment with the BIR, without securing the approval of the proper authority, is prohibited. Moreover, seeking outside employment or engaging in the exercise of a profession or business that would run in conflict with one's official duty and/or likely to affect or compromise one's performance is not allowed.

- (2) Outside employment may be allowed if the following conditions are present:
 - (a) It shall not be performed during regular working hours; and,
 - (b) It must be in line with one's profession. However, the authority to practice one's profession outside of employment shall not cover private practice, *except for* duly-licensed instructors, professors, lecturers, resource persons, or notary public, where private practice may be allowed.
- (3) It is prohibited to disclose or make known confidential information obtained in the course of one's employment in the BIR.

- (4) In relation to Items (2) and (3) above, the following conditions are also required:⁵⁴
 - (a) Section 7, paragraphs (a), (b) and (c) of Republic Act No. 6713, otherwise known as “Code of Conduct and Ethical Standards for Public Officials and Employees” must be strictly observed.
 - (b) The conduct of outside employment shall not run in conflict, or tend to be in conflict, with one’s official functions; and
 - (c) Outside employment shall not be done during office hours nor violate the forty (40) hour work week schedule, as required.

Non-compliance therewith shall be considered as Violation Against Conflict of Interest and shall constitute a Grave Offense.

E. Prohibited Acts Constituting Conflict of Interest and Partiality⁵⁵

The following acts and / or transactions are strictly prohibited:

- (1) Accepting, or having any member of one’s family accept employment, in a private enterprise which has a pending official business with him/her, or within one year after the termination of his/her employment with the BIR;
- (2) Neglecting or refusing, after due demand or request, without sufficient justification, to act within a reasonable time on any matter pending before him/her for the purpose of:
 - (a) obtaining, directly or indirectly, from any person, some pecuniary or material benefit or advantage, or
 - (b) favoring his/her own interest, or giving undue advantage and/or discriminating against any person or other interested party;
- (3) Entering into, on behalf of the BIR, any contract or transaction manifestly and grossly disadvantageous to said agency, whether or not one has profited or will profit thereby;
- (4) Having financial or pecuniary interest, directly or indirectly, in any business, contract or transaction in connection with which one intervenes or takes part in one’s official capacity, or in which one is prohibited by the Constitution or by any law from having any interest therein;

⁵⁴ CSC Memo Circular No. 32, Series of 1997

⁵⁵ Sections 3 and 4, Republic Act No. 3019

- (5) Becoming interested for personal gain, or having a material interest, directly or indirectly, in any transaction or act requiring the approval of a board, panel or group of which one is a member, and for which one exercises discretion in the approval thereof, even if one votes against the same or does not participate in the action of the board, committee, panel or group. Interest for personal gain shall be presumed for cases involving transactions or acts which are manifestly unlawful, inequitable, or irregular;
- (6) Knowingly approving or granting any registration, award, privilege or benefit in favor of any person not qualified for or not legally entitled to such registration, award, privilege or benefit, or being a mere representative or dummy of one who is not so qualified or entitled; and
- (7) Capitalizing, exploiting or taking advantage on account of private individual's family or close personal relation/association with one by, directly or indirectly, requesting or receiving any present, gift or material or pecuniary advantage from such individual having some business, transaction, application, request or contract where said revenue personnel has to intervene.

Non-compliance therewith shall be considered as Grave Misconduct and Conduct Prejudicial to the Best Interest of the Service and shall constitute a Grave Offense.

F. Inhibition from Certain Assignments

Taking advantage of one's position in the BIR as a result of one's personal relationship with taxpayers, whether social or business, must be avoided. A Revenue Official / Employee must inhibit himself / herself from taking part, actively or through intercession / intervention, in cases involving tax investigations, audit or examination; adjudication of tax cases; rendering of opinions and tax rulings; and other similar requests. The matter must be discussed with one's superior for appropriate guidance and compliance therewith.

Non-compliance therewith shall be considered as Conduct Prejudicial to the Best Interest of the Service and shall constitute a Grave Offense.

G. Prohibition against Acting as Lawyer / Legal Counsel, Accountant, Consultant or Similar Services, In Behalf of a Taxpayer.

No Revenue Official or Employee shall act as Lawyer / Legal Counsel,

Accountant, Consultant, Adviser, or similar services, in behalf of a taxpayer, on tax-related matters and involving the discharge of one's official functions, that will be prejudicial to, and/or will compromise, the rights and/or interests of the BIR.

Non-compliance therewith shall be considered as Conduct Prejudicial to the Best Interest of the Service and shall constitute a Grave Offense.

H. Official Dealings with Taxpayers according to Prescribed Rules

All official dealings with taxpayers or their representatives must be conducted in accordance with prescribed rules. Strict observance thereof is required in view of the confidentiality of the nature of one's duty.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

I. Prohibition Against Material Dealings and/or Obtaining Financial Gains with Taxpayers and their Representatives

No Revenue Official or Employee shall engage in any dealings with taxpayers or the latter's representatives where a conflict of interest would arise and/or obtain for himself/herself material or financial gain and business advantage.

Non-compliance therewith shall be considered as Grave Misconduct and shall constitute a Grave Offense.

J. Prohibition Against Dealings with Taxpayers in the Conduct of Audit and Examination and Similar Requirements

Every Revenue Official or Employee is prohibited from making undue and unauthorized dealings with taxpayers or their representatives in the conduct of audit and examination of their books of accounts or accounting records, such as but not limited to the following acts:

- (1) Non-observance of the rules and procedures in the conduct of audit/examination of books of accounts or other accounting records; or
- (2) Non-compliance with prescribed rules relating to:
 - (a) The service of Letters of Authority (LAs) / Tax Verification Notices (TVNs) / Letter Notices (LNs); post reporting notices, assessment notices, and demand letters;
 - (b) The issuance of Certificates Authorizing Registration

- (CAR); or
- (c) Other similar activities; or
- (3) Threatening or intimidating a taxpayer by making unreasonable demands, displaying an abusive attitude and/or disrespectful conduct; or
 - (4) Frequent visitation at a taxpayer's place of business even after office hours and without authority and official business; or
 - (5) Unauthorized disclosure of audit findings that do not bear the approval and conformity of the approving authority, or issuance of audit findings without the accompanying investigation report or in the absence of factual and/or legal basis; or
 - (6) Premature disclosure to taxpayers of audit findings which are not supported by substantial evidence and without following the prescribed procedures; or
 - (7) Such other related violations that are applicable under the circumstances

Non-compliance therewith shall be considered as Conduct Prejudicial to the Best Interest of the Service and shall constitute a Grave Offense.

K. Harassment of Taxpayers by Revenue Officials or Employees

The following may be considered as incidents of Harassment of Taxpayers by a Revenue Official or Employee who is charged with the duty to conduct an audit examination:

- (1) Improbable and / or arbitrary assessment determined by the Assessment Division in the Regional Office, or by the Assessment Service in the National Office, as the case may be;
- (2) Arrogance and / or non-observance of punctuality in appointments with taxpayers;
- (3) Indiscriminate and unauthorized issuance of letter conferences;
- (4) Unreasonable / unjustifiable delay in the investigation and processing of tax cases; and
- (5) Requiring the taxpayer to prepare working papers, and other documents which he / she has already filed with the BIR.

Section 19. Non-Disclosure of Documents and Confidential Information to the Public and When Allowed

A. Illegal or Unauthorized Disclosure/Divulgence of Official or Confidential Information⁵⁶

No Revenue Official or Employee shall disclose or divulge any official information or document obtained in the discharge of his / her official functions, other than those allowed by law or by the proper authority. The unauthorized discussion of revenue service operations is likewise strictly prohibited.

It is similarly unlawful to divulge to any person or to make known, in any other manner than as may be provided by law, information regarding the business, income or estate of any taxpayer, the secrets, operation, style or work, or apparatus of any manufacturer or producer, or confidential information regarding the business of any taxpayer, knowledge of which was acquired by him/her in the discharge of official duties, unless otherwise authorized by law or the competent authority.⁵⁷

Non-compliance therewith shall be considered as Unauthorized Disclosure/Divulgence of Confidential Information and shall constitute a Grave Offense.

B. Proper Dissemination of Revenue Issuances

Revenue issuances shall be disseminated/circulated to the BIR's internal and external stakeholders in accordance with prescribed guidelines and procedures, including those relating to the numbering, production and publication thereof.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

C. Prompt Reply to Official Communications

Every Revenue Official or Employee is obliged to reply to letters, telegrams, telefaxes, e-mails, text messages and other forms of communications, within fifteen (15) working days from receipt thereof, which reply shall embody the action taken thereon.⁵⁸

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light

⁵⁶ Section 270 of the National Internal Revenue Code of 1997, as amended

⁵⁷ Section 3 (k), Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act)

⁵⁸ Section 5(a) of Republic Act No. 6713 (Code of Conduct)

Offense.

D. Unauthorized Production of Information

Every Revenue Official or Employee is prohibited from producing and/or providing any official record, or copies thereof, to private persons and or entities, courts or other government agencies, except in compliance with a duly issued subpoena as may be allowed under existing laws and regulations⁵⁹, or when a clearance therefor has been obtained from the Legal Service or Legal Division, as the case may be.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

E. Public Speaking Engagements or Publication of Articles Relating to Service Operations

Approval of the Commissioner must be secured before a Revenue Official or Employee can accept any invitation as lecturer, speaker, trainer and other similar commitments, whether through public engagement, radio and/or television broadcast.

All such engagements shall be rendered *pro bono* and no monetary compensation or any other form of payment shall attach in consideration thereof, except in the form of an honorarium, token of appreciation or a nominal amount that is given as recognition of the services rendered.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Section 20. Filing of Statement of Assets, Liabilities and Net worth and Financial Disclosure of Interests

The filing of the Statement of Assets, Liabilities and Net Worth (SALN), using the format prescribed by the Civil Service Commission, is mandatory for all Revenue Officials and Employees, in recognition of the principle that transparency and accountability in public office should be observed. In this regard, the SALN of a Revenue Official / Employee shall disclose therein his / her business interests and financial connections, including those of his / her spouse and the personal data of his / her unmarried children under twenty-one (21) years of age living in his / her households and wholly dependent upon him/her for their chief support.

⁵⁹ Opinion of Ministry of Justice, Series of 1989

A. Items to be Declared in the SALN⁶⁰

- (1) Annual Gross Salary
- (2) Annual Gross Family Income
- (3) Real Properties and Vehicles of the declarant, spouse, and children living in the household must be declared regardless of value
- (4) Investments and Other Personal Property
- (5) Liabilities
- (6) Business Interests and Financial Connections
- (7) Relatives in Government
- (8) Gratuitous Acquisitions of Assets

B. Information of Existing Business Interests and Financial Connections⁶¹

The information on existing business interests and financial connections shall cover the following:

- (1) Matters dealing with one's existing interests in, or any existing connections with any business enterprise or entity, whether as proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, lawyer, legal consultant, accountant, auditor, and the like;
- (2) The names and addresses of the business enterprises or entities;
- (3) The dates when such interests or connections were established; and,
- (4) Such other details as will show the nature of the interests or connections.

C. Period required for the filing of the SALN:⁶²

- (1) Newly hired Employees – within thirty (30) calendar days from assumption of office or earlier, when required by the Personnel Division, to be reckoned from declarant's first day of office.
- (2) Annual Filing – Not later than April 30 of every year, to be reckoned from the day following the cut-off date of the previous SALN declaration, up to December 31 of the reporting period.

⁶⁰ Statement of Assets, Liabilities and Net Worth Manual (Civil Service Commission)

⁶¹ Rule VII, Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees

⁶² Statement of Assets, Liabilities and Net Worth Manual (Civil Service Commission)

- (3) Retirement/Separation from the service – Within 30 days after separation from the BIR.

D. Manner of Filing of the SALN:⁶³

The duly-accomplished SALN Form shall be accomplished in quadruplicate and submitted to the Personnel Division and Human Resource Management Units (HRMU), for Revenue Officials and Employees from the National Office and Regional/District Offices, respectively. A copy shall be retained by the Revenue Official or Employee and it shall serve as proof of SALN submission.

The Chief of the Personnel Division shall transmit to the Civil Service Commission, on or before June 30 of every year, all original copies of the SALN, with a list of filers arranged in alphabetical order. The HRMU shall transmit the same to the Deputy Ombudsman in the respective regions and shall likewise provide the Personnel Division copies thereof for records and file purposes.

Non-compliance therewith shall be considered as Neglect of Duty and shall constitute a Less Grave Offense.

E. Disclosure of Relatives in the Government⁶⁴

Disclosure of a Revenue Official's / Employee's relatives in the Government/BIR is mandated by providing the names, relationships, positions, and offices/addresses of said relatives, namely: relatives up to the third degree of relationship, either of consanguinity or affinity, including *bilas* (husbands of two sisters), *inso* (wives of two brothers) and *balae* (parents of husband and wife).

Non-compliance therewith shall be considered as Neglect of Duty and shall constitute a Less Grave Offense.

Section 21. Solicitation and Acceptance of Gifts and Benefits

The BIR is committed in upholding this highest standards of morality in government , guided by the principles that public office is a public trust; that all public officials and employees shall at all times be accountable to the people, and shall discharge their duties with utmost responsibility, integrity, competence and loyalty, act with patriotism and justice, and/or lead modest lives.

Every Revenue Official or Employee shall conduct himself / herself in an impartial and professional manner by demonstrating the highest degree of decency

⁶³ Statement of Assets, Liabilities and Net Worth Manual (Civil Service Commission)

⁶⁴ Statement of Assets, Liabilities and Net Worth Manual (Civil Service Commission)

and integrity in the performance of his/her duties through the refusal of offers of gifts and/or other inducements.

Solicitation, request, acceptance and/or receipt of any gift, benefit, gratuity, favor, service, loan, entertainment or anything of monetary value, for oneself or for others, or from other persons, in the course of his/her official duty or in connection with any official operation or dealing of which he/she is required to pass upon or regulate on any transaction which may be affected by reason of his/her official function, or under circumstance which might reasonably be construed as influencing his/her official duty, whether in reference to past, present or future dealings or transactions, is prohibited.⁶⁵

In the course of the performance of his/her official functions, a Revenue Official / Employee is also prohibited from accepting any fee or remuneration beyond what he/she is legally entitled to receive, in accordance with existing laws and regulations.

Gifts and/or benefits may be accepted under any of the following circumstances:

- (1) Unsolicited gifts of nominal or insignificant value not given in anticipation of, or in exchange for a favor or given after the official dealing is completed, or service is required. As to what constitutes a nominal value will depend on the circumstances of each case, taking into account the salary, frequency or infrequency of the giving or the expectation of benefits, and other similar factors;⁶⁶
- (2) Gifts from a member of family or relatives as defined in this Code, on the occasion of a family celebration, without any expectation of pecuniary gain or benefit;⁶⁷
 - i. Gifts received from a spouse, children, parents, parents-in-law, brothers, sisters and relatives within the 4th civil degree valued at Three Thousand Pesos (Php 3,000.00) or more shall be recorded in a Registry Book to be provided by and kept in the custody of the Inspection Service in the National Office, or the Administrative Divisions in the Revenue Regions or Administrative Sections in the Revenue District Offices, as the case may be. Such gift shall not be allowed if given and/or accepted within the BIR premises while the recipient of said gift is in the conduct of his/her official function and duty;

⁶⁵ Section 7, Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees)

⁶⁶ Rule X, Rules Implementing The Code of Conduct and Ethical Standards for Public Officials and Employees

⁶⁷ Rule X, Rules Implementing The Code of Conduct and Ethical Standards for Public Officials and Employees

- (3) Nominal gifts from persons with no pending dealings or transactions with the BIR and without any expectation of pecuniary gain or benefit;⁶⁸
- (4) Gifts coming from private organizations, whether local or foreign, which is considered and accepted for humanitarian and altruistic purpose and mission;⁶⁹
- (5) Gifts coming from government to government entities;⁷⁰
- (6) In the case of gifts or grants coming from foreign governments, Congress should consent to the acceptance and/or retention of:⁷¹
 - i. Gifts of nominal value tendered and received as a souvenir or a mark of courtesy;
 - ii. Gifts in the nature of a scholarship or fellowship grant or medical treatment;
 - iii. Travel grants or expenses for travel taking place entirely outside the Philippines (such as allowances, transportation, food and lodging) of more than nominal value, if such acceptance is appropriate or consistent with the interest of the BIR, and permitted by the Commissioner;
- (7) Token gifts of nominal value received from his/her fellow Revenue Official and Employee appropriate to the occasion in which they are made. A gift shall be considered nominal if it has a value of Five Hundred Pesos (Php 500.00), or less, on a per giver/recipient basis, or such similar amount as may be appropriate to the position and/or income of the giver. It must be understood, however, that if the aggregate amount of the token or gifts of nominal value received under this section within the calendar year is Two Thousand Pesos (Php 2,000.00), the recipient shall cause the same to be recorded in the Registry Book in the custody of the Inspection Service in the National Office, or the Administrative Divisions in the Revenue Regions or Administrative Sections in the Revenue District Offices, as the case may be;
- (8) Emergency contribution/assistance of reasonable value or amount in cases of death, illness and other similar situations received from fellow Revenue Officials and Employees;

⁶⁸ Rule X, Rules Implementing The Code of Conduct and Ethical Standards for Public Officials and Employees

⁶⁹ Rule X, Rules Implementing The Code of Conduct and Ethical Standards for Public Officials and Employees

⁷⁰ Rule X, Rules Implementing The Code of Conduct and Ethical Standards for Public Officials and Employees

⁷¹ Rule X, Rules Implementing The Code of Conduct and Ethical Standards for Public Officials and Employees

- (9) Plaques, awards, certificates, souvenirs or other tokens of appreciation or gratitude and/or benefits appropriate to the occasion/ceremonies in which they are given, provided that such plaques, awards, certificates, and/or benefits will not reasonably be perceived as intended to influence a Revenue Official / Employee in the performance of his / her official functions;
- (10) Gifts and/or benefits received by a BIR office as an institution from individuals, other offices or organizations, including grants and donations. However, if the total value of the gift and/or benefits received is Two Thousand Pesos (Php 2,000.00), it shall likewise be recorded in a Registry Book kept in the custody of the Office of the Inspection Service in the National Office, or the Administrative Divisions in the Revenue Regions, or Administrative Sections in the Revenue District Offices, as the case may be;
- (11) Gifts or cash awards given by the BIR during Anniversary and Christmas celebrations;
- (12) Performance-based cash rewards, scholarship grants and similar benefits granted by appropriate government agencies, private institutions, or national or international organizations.

It shall be unlawful to accept or receive gifts and/or benefits, under any of the following circumstances:

- (1) Gifts or gratuities to a Revenue Official's / Employee's family and relatives where he/she is prohibited to accept the same by reason of his/her official connection with the giver/donor. Reasonable steps should be taken to ensure that families and relatives of Revenue Officials and Employees are not the recipients of gifts or benefits which could give the appearance of an indirect attempt to secure the official's / employee's influence or favor;
- (2) Accepting of gifts, gratuities presents, emoluments, offices or titles from foreign governments, except with the consent of Congress;⁷²
- (3) Solicitation of gifts or contributions in any kind from other persons or employees as gifts or presents to superiors, the receipt of which might in any way tend to influence the official concerned; or
- (4) Request, either for oneself or for others, or acceptance of gifts or other benefits from a subordinate, or from the family and relatives of subordinates.

⁷² 1987 Constitution, Article IX B, Section 8

- (5) Offer of gifts or other benefits to a superior, or to a superior's family or relatives, save for items of use and of modest value, for the purpose of gaining undue influence and advantage or in exchange of a favor.

Non-compliance therewith shall be considered as Unauthorized Solicitation and Acceptance of Gifts and/or Benefits and shall constitute a Grave Offense.

Section 22. Procurement of Revenue Goods and Services, Infrastructure Projects and Consultancy Services⁷³

The procurement process at the BIR shall be governed by the established rules and regulations on government procurement, as well as the rules to be prescribed by the BIR. Every Revenue Official or Employee involved in the procurement of the BIR's goods, supplies, or property; consultancy, janitorial, security, and other services, shall be responsible for upholding the transparency, effectiveness and efficiency of the BIR's procurement system. He / She should be mindful of potential conflicts of interest that may arise, and shall not use his / her position to benefit himself / herself or any other person or entity.

The following are the guiding principles to be observed in the procurement of goods and services for the BIR:

- (1) Ensure transparency of the procurement process and implementation of procurement contracts;
- (2) Ensure the widest dissemination of bid opportunities and the participation of pertinent non-government organizations;
- (3) Maintain proper documentation of each procurement transaction and availability of such records to proper parties;
- (4) Conduct a competitive public bidding process that treats bidders equitably and provides fair grounds for competition that would offer more beneficial terms for the BIR;
- (5) Ensure that value for money is obtained by promoting fair, open and accessible competition when seeking or renewing contracts;
- (6) Accept responsibility, be fully accountable and maintain sufficient documentation and justifiable selection criteria;
- (7) Ensure that the processes are transparent, and free from bias or the perception of bias;

⁷³ Republic Act No. 9184 (Government Procurement Reform Act); BIR Procurement Manual

- (8) Ensure that there are no actual or perceived conflicts of interest by including the full disclosure of any past, present or proposed future relationships, connections or interests with bidders; and
- (9) Act in a way that does not compromise the standing of the BIR.

Receipt of collections by, and grant of honoraria to, an official or employee who is involved in procurement activities shall be in accordance with the prescribed guidelines and procedures.

Non-compliance therewith shall be considered as Serious Dishonesty and shall constitute a Grave Offense.

Section 23. Disclosure to Proper Authorities of any Violation, Infraction, Misconduct and Unethical Behavior

To ensure that public accountability is strictly observed and to attain the high standard of morality, integrity, honesty and decency in the attainment of good governance, every Revenue Official or Employee shall have the obligation to disclose and/or report to the proper authorities any incident, discovered by, and/or made known to him/her, involving misbehavior or misdemeanor that is illegal or unethical per se and/or otherwise violates the National Internal Revenue Code of 1997(as amended), tax rules and regulations and this Code of Conduct.

The disclosure to be made shall be done in accordance with the rules and procedures to be prescribed by the BIR.

Non-compliance therewith shall be considered as Simple Neglect of Duty and shall constitute a Less Grave Offense.

Chapter IV – RESPONSIBILITY IN THE WORKPLACE

Section 24. Demonstration of Leadership

Every Revenue Official / Employee who functions as a Head of Office / Unit shall practice and advocate the qualities of a good and responsible leader, and serve as a role model of the office/unit that he/she represents. He/She should influence, inspire and empower his / her subordinates and co-workers in promoting and supporting the required norms, values, conduct and behavior as embodied in this Code.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Section 25. Observance of Equity, Courtesy and Respect Towards Colleagues in the BIR

The following rules shall be strictly observed:

- (1) A working environment that encourages courtesy and respect for one another, treating colleagues as fairly and objectively as may be required, shall be upheld, by ensuring that the atmosphere in the work place is characterized by good working conditions, free from discrimination and harassment.
- (2) Every Revenue Official and Employee has the right to be treated with fairness and equity. The BIR shall not tolerate discrimination on grounds of regional/cultural diversity, gender, gender preference, age, civil status, pregnancy, parenthood, religious belief or activity, physical disability, political opinion, and such similar beliefs or social, political, religious and cultural preferences and practices.
- (3) Dignity and respect within the working environment shall be upheld at all times. It is unlawful for an official / employee who has authority, influence, or moral ascendancy over another in the workplace, to demand sexual favors from another, regardless of whether such demand is accepted.⁷⁴ Established rules and procedures pertaining to the investigation of sexual harassment cases and the administrative sanctions for violation thereof shall be in accordance with the Administrative Disciplinary Rules to be prescribed on Sexual Harassment Cases in the BIR.

“Sexual Harassment” may be classified as a Grave, Less Grave, or Light Offenses, contingent on the attendant conditions, as follows:

- A. Grave Offenses shall include, but not be limited to, the following:
 - Unwanted touching of private parts of the body (genitalia, buttocks and breasts);
 - Sexual harassment;
 - Malicious touching;
 - Requests for sexual favors in exchange for employment, promotion, local or foreign travels, favorable working conditions or assignments, a passing performance grade / rating, the grant of honors or scholarships, or the grant of benefits or payment of a stipend or allowance; and,
 - Other analogous cases.

⁷⁴ Republic Act No. 7877 (Anti-Sexual Harassment Act of 1995)

- B. Less Grave Offenses shall include, but not be limited to, the following:
- Unwanted touching or brushing against the victim's body;
 - Pinching, in a manner that does not fall under the classification of Sexual Harassment as a Grave Offense;
 - Derogatory or degrading remarks or innuendoes directed toward the members of a particular sex, or of a specific sexual orientation, or used to describe a certain individual;
 - Persistent unwanted attentions with sexual overtones;
 - Verbal abuse or threats with sexual overtones; and,
 - Other analogous cases.
- C. Light Offenses shall include, but not be limited to, the following:
- Surreptitiously looking, or stealing a look, at a person's private parts or undergarments;
 - Telling sexist / indecent jokes, or sending the same through texts, electronic mail or other similar means of communication, thereby causing embarrassment or offense, and carried out even after the offender has been warned that they are being offensive or embarrassing; or even without such admonition, when the offender is, by nature, being clearly embarrassing, offensive or vulgar;
 - Malicious leering or ogling / staring;
 - The display of sexually-offensive photographs, materials, or graffiti;
 - Unwelcome inquiries or comments about a person's sex life;
 - Unwelcome sexual flirtation, advances and/or propositions;
 - Making offensive hand or body gestures towards an individual;
 - Unwelcome telephone / mobile phone calls with sexual overtones that cause discomfort, embarrassment, offense or insult to the recipient; and,
 - Other analogous cases.

Non-compliance with items (1) and (2) above shall be considered as Discourtesy in the Discharge of Official Duties and shall constitute a Light Offense. In the case of item (3), however, non-compliance therewith shall be considered as a Sexual Harassment Case and shall be meted the appropriate penalty that corresponds to the gravity and seriousness of the offense.

Section 26. Contribution Required for the Attainment of Office Goals

To attain the prescribed office goals and objectives, it is expected that a Revenue Official / Employee should possess the necessary synergy and innovativeness as part of his/her active involvement therewith. Active participation is mandated, especially in the disposition of a task or mission for good governance. Moreover, an official's / employee's commitment is enjoined, in order to develop new ideas, information and skills aimed at improving the delivery of revenue service.

Non-compliance therewith shall be considered as Simple Neglect of Duty and shall constitute a Less Grave Offense.

Section 27. Observance of Proper Office Attire or Uniform

In order to be identified as a public official / employee working with the BIR, observance of proper dress code and wearing of prescribed uniform is mandated, in compliance with the Civil Service Memorandum Circulars and established BIR policies and rules.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Section 28. Use and Wearing of BIR Identification Cards

For security and proper identification purposes, the wearing of the official BIR identification card within the BIR premises (i.e. National Office, Regional and/or District offices) is mandatory.

Likewise, the official BIR identification card and other similar identification documents must be used solely for the purpose for which they are issued, and shall not be used to take advantage of the same through the privilege, favor or rewards that might be derived from such unauthorized use.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Section 29. Punctuality, Observance of Required Office Hours, Habitual Tardiness and Frequent Unauthorized Absences in Reporting for Duty

- A. The rules on attendance must be observed. Punctuality is required as a way of manifesting the employee's physical presence in the office at all times.

The prescribed official time in reporting for duty and leaving work should be strictly observed, from eight o'clock in the morning (8:00 AM) to five o'clock in the afternoon (5:00 PM), for a total of eight (8) hours

of work a day, exclusive of the time allotted for lunch period and coffee break, for five (5) days a week, for a total of forty (40) hours a week. **The working schedules adopted for offices rendering front line services must also be observed to ensure that all stakeholders who are within the premises prior to the end following official working hours are attended to and served even during lunch break and after regular working hours.**⁷⁵ Flexi time arrangement may be allowed in accordance with the rules to be prescribed.

- B. Habitual tardiness, without any justifiable cause, or irregular office attendance, and/or unjustified absences should not be countenanced. Repeated infractions will result in the deduction of leave credits or salary deduction and/or administrative disciplinary action, in accordance with this Code.
- C. Frequent Unauthorized Absences exceeding the allowable 2.5 days monthly leave credit specified under the leave law for at least three (3) months in a semester, or at least three (3) consecutive months during the year, are grounds for disciplinary action.
- D. Applications for leave of absence shall be availed of in accordance with established BIR policies and procedures. The employee concerned should, however, ensure that before such leave of absence becomes effective, the proper turnover of work assignments has been accomplished, in order to avoid disruptions in the work flow of the office.

Compensatory services may be availed of outside of regular working hours, except on Sundays, to offset non-attendance or undertimes during the regular office hours subject to the written approval of the head of office. The services rendered during the specified special non-working days may offset future leaves of absence. Such services, however, cannot be added to the leave credits of an employee, nor can it be used to offset the non-attendance or undertimes previously incurred.

Non-compliance with item (B) above shall be considered as Habitual Tardiness and shall constitute Light Offense. Frequent Unauthorized Absences under item (C) above shall constitute a Grave Offense.

Section 30. Non-Engagement of the Services of Private Individuals to Perform Legal, Accounting, Secretarial/Clerical Function or Like Services

All Revenue Officials and Employees, particularly Lawyers, Revenue District Officers, Group Supervisors and other Revenue Officers, are prohibited from employing the services of private individuals to perform legal, accounting, and/or

⁷⁵ Section 8 (e) of Republic Act 9485, otherwise known as the Anti-Red Tape Act of 2007

secretarial/clerical functions, or other like services, unless duly authorized by their respective group heads.

Non-compliance therewith shall be considered as Conduct Prejudicial to the Best Interest of the Revenue Service and shall constitute a Grave Offense.

Section 31. Compliance with Revenue Travel Assignment Order and Revenue Special Order

- (1) In pursuit of the exigencies of the revenue service, the Commissioner shall have the authority to transfer any Revenue Official or Employee to a new assignment and/or to assign additional duties and functions to the official / employee. Transfers, assignments, reassignments and temporary designations from one BIR office to another shall be accomplished through the appropriate Revenue Travel Assignment Order (RTAO) or Revenue Special Order (RSO), as the case may be, in accordance with established BIR guidelines and procedures on the movement of personnel. Accordingly, the concerned revenue personnel shall immediately comply with said RTAO / RSO upon official receipt of the same, either through personal or substituted service. The authority to transfer or assign may be delegated by the Commissioner to the Regional Directors for personnel under their respective jurisdictions and authority.
- (2) In complying with a duly-issued RTAO, the concerned Revenue Official or Employee is mandated to follow the prescribed guidelines and procedures for the issuance of clearance, especially for pending cases covered by Letters of Authority, Tax Verification Notices, Letter Notices and Mission Orders and similar cases. Failure to secure the necessary clearance from the official's / employee's former office shall be considered as sufficient grounds to prohibit him / her from assuming his/her duties at the new place of assignment. In the same manner, the head of office where the revenue personnel will be assigned shall also decline accept him / her without the required clearance obtained from the former office.
- (3) Transfers for humanitarian reasons shall also be in conformity with established BIR policies and guidelines.

Non-compliance with item (1) above shall be considered as Insubordination and shall constitute a Less Grave Offense. Non-compliance with item (2) above shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Section 32. Entry of Visitors within the Office Premises

For security reason and to regulate the flow of visitors coming in and out of

the office premises, only visitors with legitimate and official business with the BIR shall be allowed entry, after securing the proper permit/visitor's pass from authorized persons. The BIR Office concerned shall ensure that this policy is strictly observed by the BIR's duly-contracted security service provider.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Chapter V – PERSONAL BEHAVIOR

Section 33. Maintenance of Public Trust and Confidence

All Revenue Officials and Employees are enjoined to safeguard and uphold public trust and confidence in the BIR. In this regard, they must observe the highest standards of honesty and integrity in dealing with the general public, and with their colleagues in the revenue service. Therefore, becoming involved or engaging in activities that may tarnish or compromise an official's / employee's image as a public servant, and / or the image of the BIR as a public service agency, must be strictly avoided.

Non-compliance therewith shall be considered as Simple Misconduct and shall constitute a Less Grave Offense.

Section 34. Modest and Simple Living

Every Revenue Official and Employee and his/her immediate family should lead modest and simple lives appropriate to their earning capacity, station in life and/or position in the BIR. They must not indulge in the extravagant or ostentatious display of wealth in any manner or under any circumstance.

Non-compliance therewith shall be considered as Simple Misconduct and shall constitute a Less Grave Offense.

Section 35. Dishonesty as a Ground for Disciplinary Action⁷⁶

Dishonesty is the concealment or distortion of truth, and indicates a lack of integrity or a disposition to defraud, cheat, deceive or betray, as well as an intention to violate the truth. The rules embodied herein are parameters that will guide the disciplinary authority in determining when the offense of Dishonesty has been committed.

- A. The presence of any one of the following attendant circumstances in the commission of the dishonest act shall constitute the offense of Serious Dishonesty and be classified as a Grave Offense.

⁷⁶ Civil Service Commission Resolution No. 060538 dated April 4, 2006

- (1) The dishonest act caused serious damage and grave prejudice to the BIR and / or the Government;
- (2) The respondent gravely abused his authority in order to commit the dishonest act;
- (3) Where the respondent is an accountable officer, the dishonest act directly involves BIR property, accountable forms or funds with an intent to commit material gain, graft and corruption;
- (4) The dishonest act exhibits moral depravity on the part of the respondent;
- (5) The respondent employed fraud and/or falsification of official documents in the commission of the dishonest act related to his/her employment;
- (6) The dishonest act was committed several times or in various occasions;
- (7) The dishonest act involves a fake Civil Service eligibility, or a Civil Service examination irregularity such as, but not limited to: impersonation, cheating and use of crib sheets; and,
- (8) Other analogous circumstances.

B. The presence of any of the following attendant circumstances in the commission of the dishonest act shall constitute the offense of Less Serious Dishonesty and be classified as a Less Grave Offense.

- (1) The dishonest act caused damage and prejudice to the BIR and / or the Government that is not so serious as to qualify under the immediately preceding classification;
- (2) The respondent did not take advantage of his/her position in committing the dishonest act; and,
- (3) Other analogous circumstances.

C. The presence of any of the following attendant circumstances in the commission of the dishonest act shall constitute the offense of Simple Dishonesty and be classified as a Light Offense.

- (1) The dishonest act did not cause damage or prejudice to the government;

- (2) The dishonest act has no direct relation to, or does not involve, the duties and responsibilities of the respondent;
- (3) Cases involving the falsification of any official document, where the information falsified is not related to his/her employment;
- (4) The dishonest act did not result in any gain or benefit to the offender;
- (5) Other analogous circumstances.

Section 36. Prohibition Against Engaging in Illegal Gambling and Betting

In order to uphold the time-honored principle that every public servant must live modest lives and maintain the highest degree of integrity in public service, the engagement by any Revenue Official or Employee in any form of illegal gambling is strictly prohibited. Gambling within the BIR premises or during office hours shall not be allowed. Entering casinos, cockpits, racing parks and other gambling houses, is not allowed, except when:

- Required under a mission order; or,
- By the nature of his/her task, the official / employee is assigned as an undercover agent for a specified purpose and duration; or,
- By the nature of his/her function, his/her presence at the said gambling places is necessary and required.

Illegal gambling shall include, but not limited to the following:

- (1) Illegal Numbers Game
- (2) Jueteng
- (3) Masiao
- (4) Last Two⁷⁷
- (5) Other forms of illegal gambling⁷⁸

Non-compliance therewith shall be considered as Engaging in Illegal Gambling and shall constitute a Light Offense.

Section 37. Prohibition Against the Use of Intoxicants or Prohibited Drugs

Indulging in, bringing or keeping intoxicating drinks or prohibited drugs or substances, during office hours, or while present within the BIR premises, is

⁷⁷ Republic Act No. 9287 (An Act Increasing the Penalties for Illegal Numbers Games, Amending Certain

Provisions of Presidential Decree No. 1602, and for other purposes)

⁷⁸ Section 1 (a)(1) of Presidential Decree No. 1602 (Prescribing Stiffer Penalties on Illegal Gambling)

prohibited. Moreover, to ensure that the daily operations of a BIR office are not unduly impeded, bringing liquor or intoxicating drinks while on official duty is not allowed, except when required by the nature of one's function, or pursuant to a duly issued mission order.

The use of prohibited drugs and intoxicants shall be allowed only if the official / employee concerned has been issued the appropriate prescription by a duly-licensed physician, and the same must not affect his / her work performance, otherwise, the matter must be brought to the attention of his / her supervisor / head of office to address the problem.

Non-compliance therewith shall be considered as Grave Misconduct and shall constitute a Grave Offense.

Section 38. Observance of No-Smoking Rule

To promote a healthy lifestyle and maintain a smoke-free environment and good working conditions at all BIR offices, the policy and guidelines on the **No-Smoking Rule** shall be strictly observed.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Section 39. Making Oneself Visible in Nightclubs, Bars and Other Places of Entertainment by Indulging in Lavish Spending

Every Revenue Official and Employee is mandated to lead a simple and modest life. Accordingly, he/she is prohibited from frequenting nightclubs, bars and other places of entertainment where he/she may indulge in lavish spending, except when required to so do in the conduct of an official mission assigned for a special purpose and specified duration, or as an undercover agent with a duly issued mission order.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Section 40. Prohibited Association with Disreputable Persons

Association with individuals or group that would tend to compromise, directly or indirectly, a Revenue Official's / Employee's character, reputation or integrity, as well as that of the BIR, is discouraged. This includes association with persons or groups with objectionable reputations and/or engaged in illegal, immoral or reprehensible activities or behavior.

Non-compliance therewith shall be considered as Violation of Reasonable Office Rules and Regulations and shall constitute a Light Offense.

Chapter VI – RIGHTS OF REVENUE OFFICIALS AND EMPLOYEES

Section 41. Rights of Incumbent Revenue Officials and Employees

The following rights, privileges, grants and benefits of incumbents are prescribed by the Constitution, existing laws and BIR rules and regulations:

Benefits Commonly Enjoyed:

1. Compensation or Salary
2. Monetary Benefits⁷⁹
3. Leave Benefits:
 - a. leave of absence
 - b. commutation of leave credits
 - c. accumulation of leave credits
 - d. rehabilitation leave
 - e. forced leave
 - f. maternity leave⁸⁰
 - g. paternity leave⁸¹
 - h. vacation and sick leaves⁸²
 - i. birthday leave
 - j. funeral/mourning leave
 - k. hospitalization leave
 - l. accident leave
 - m. enrollment leave
 - n. relocation leave
 - o. wedding/anniversary leave
 - p. graduation leave
 - q. terminal leave
 - r. special leave privileges⁸³

⁷⁹ Republic Act No. 6758 (An Act prescribing a revised compensation and position classification system in the government and for other purposes otherwise known as “Compensation and Position Classification Act of 1989”)

⁸⁰ C.A. No. 647, as amended by Republic Act No. 1564 (An Act Granting Maternity Leave to Women in Government Service under Temporary Appointment who have rendered less than two years of service)

⁸¹ Republic Act No. 8187 (An Act Granting Paternity Leave of Seven [7] Days with full pay to all Married Male Employees in the Private and Public Sectors for the first four [4] deliveries of the Legitimate Spouse with whom he is cohabiting and for other purposes.)

⁸² Sections 285, 285-A, 286, Revised Administrative Code, as amended by R.A. No. 2625 and No. 1081

⁸³ Civil Service Commission Resolution No. 966162 dated September 23, 1996

- s. parental leave
 - t. sabbatical leave
 - u. transfer of leave privileges when transferring from one government agency to another
 - v. Benefits under the National Internal Revenue Code of 1977 and Republic Act No. 9335 or the Lateral Attrition Act of 2005
 - w. Other similar benefits allowed under existing law, rules and/or regulations
4. self-organization⁸⁴
 5. reimbursement and indemnity⁸⁵
 6. career and employee development (preference in promotion, transfer, training and development)
 - a. Performance Evaluation System
 - b. Merit Promotion
 - c. BIR training programs
 - i. Orientation programs⁸⁶
 - ii. Technical Training Programs
 - iii. Management and Leadership Training Programs
 - d. BIR Scholarship Programs
 - i. Local and foreign scholarship programs
 - ii. Study Leave Grant
 7. grant of incentives and award for service excellence
 - a. model employee award
 - b. “gantimpala agad” award
 - c. exemplary behavior award
 - d. model office award
 - e. cost economy measure award
 - f. service award
 - g. star award
 - h. loyalty incentive
 - i. step increment/longevity award
 - j. productivity incentive
 - k. career and self-development incentive
 8. health services or health insurance programs⁸⁷
 9. employees’ compensation programs⁸⁸
 10. PAG-IBIG or home development mutual fund benefits:

⁸⁴ 1987 Constitution, Art. III, Section 8, Art. IX-B, Section 2(5) and Art. XIII, Section 3 (par.2)

⁸⁵ F. MECHEM, op. cit., note 21 at 588 as cited by De Leon, The Law on Public Officers and Election Law, 2008 Ed.

⁸⁶ Employee Induction and Office/Agency Orientation, Personnel Orientation Course, Seminar on Code of Conduct

⁸⁷ Republic Act No. 7875 (National Health Insurance Act)

⁸⁸ Presidential Decree No. 626

- a. Multi-purpose loan
 - b. Dividend benefits
 - c. Return of contribution
 - d. Optional withdrawal of contributions
 - e. Death benefits
 - f. Housing loan
 - g. Double or triple monthly savings
11. Financial assistance from BIREA (Bureau of Internal Revenue Employee Association)/BIRMAG, BIRSALA (Bureau of Internal Revenue Savings and Loan Association) and BIR Multi-Purpose Cooperative
 12. Clothing allowance, Year-end benefits, Anniversary bonus, Personnel economic relief allowance (PERA), Additional compensation allowance (ACA), Representation and transportation allowance, Retirement gratuity and terminal leave
 13. reinstatement and back salary
 14. good working conditions
 15. dignity and full development of the human person
 16. opportunity for increasing and improving job skills, knowledge and abilities
 17. security of tenure
 18. courteous, fair and just treatment
 19. equal job privileges
 20. gratuity or retirement pension subject to the Retirement Law
 21. medical and dental care which embrace free medical and physical check up
 22. communicate worthy and constructive criticisms as well as suggestions to their supervisors especially those which will enhance and promote effectiveness and economy in office operations

Chapter VII – REMOVAL FOR CAUSE, CLASSIFICATION OF OFFENSES AS PRECIBED UNDER EXISTING CIVIL SERVICE COMMISSION RULES, AND ADDITIONAL GROUNDS FOR ADMINISTRATIVE DISCIPLINARY ACTION WITH THEIR CORRESPONDING PENALTIES

Section 42. Removal for Cause

An official/employee shall not be removed or suspended except for cause as provided by law.⁸⁹

⁸⁹ 1987 Constitution, Art. IX, Section 2 (3)

Section 43. Classification of Offenses⁹⁰

Administrative offenses with corresponding penalties are classified into grave, less grave or light, depending on their gravity or depravity and effects on the government service as prescribed under existing Civil Service Commission Rules and Regulations.

Grave Offenses	Penalties
Dishonesty	• 1 st Offense, Dismissal
Gross Neglect of Duty	• 1 st Offense, Dismissal
Grave Misconduct	• 1 st Offense, Dismissal
Being notoriously undesirable	• 1 st Offense, Dismissal
Conviction of a crime involving moral turpitude	• 1 st Offense, Dismissal
Falsification of official document	• 1 st Offense, Dismissal
Physical or mental incapacity or disability due to immoral or vicious habits	• 1 st Offense, Dismissal
Engaging directly or indirectly in partisan political activities	• 1 st Offense, Dismissal
Solicitation and Acceptance of gift or other valuable things in the course of official duties or in connection therewith when such fee, gift or other valuable thing is given in the hope or expectation of receiving a special privilege or better treatment, or committing acts punishable under the anti-graft laws	• 1 st Offense, Dismissal
Contracting loans of money or other property from persons with whom they have dealings with the BIR	• 1 st Offense, Dismissal
Soliciting or accepting directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value in the course of one's official duties or in connection with any operation being regulated by, or any transaction, which may be affected by the functions of one's office. The propriety or impropriety shall be determined by its value, kinship, or relationship between giver and receiver and the motivation.	• 1 st Offense, Dismissal
Disloyalty to the Republic of the Philippines and to the Filipino People.	• 1 st Offense, Dismissal
Nepotism	• 1 st Offense, Dismissal
Oppression	• 1 st Offense, Suspension (6 mos. 1 day to 1 year) • 2 nd Offense, Dismissal
Disgraceful and immoral conduct	• 1 st Offense, Suspension (6 mos. 1 day to 1 year) • 2 nd Offense, Dismissal
Inefficiency and incompetence in the performance of official duties	• 1 st Offense, Suspension (6 mos. 1 day to 1 year) • 2 nd Offense, Dismissal
Frequent unauthorized absences from duty during regular office hours, loafing	• 1 st Offense, Suspension (6 mos. 1 day to 1 year) • 2 nd Offense, Dismissal
Refusal to perform official duty	• 1 st Offense, Suspension (6 mos. 1 day to 1 year) • 2 nd Offense, Dismissal
Gross Insubordination	• 1 st Offense, Suspension (6 mos. 1 day to 1 year) • 2 nd Offense, Dismissal

⁹⁰ Rule IV, Section 52 of the Uniform Rules on Administrative Cases in the Civil Service, CSC Resolution No. 991936

Grave Offenses	Penalties
Conduct prejudicial to the best interest of the service	<ul style="list-style-type: none"> • 1st Offense, Suspension (6 mos. 1 day to 1 year) • 2nd Offense, Dismissal
Directly or indirectly having financial and/or material interest in any transaction requiring the approval of one's office.	<ul style="list-style-type: none"> • 1st Offense, Suspension (6 mos. 1 day to 1 year) • 2nd Offense, Dismissal
Owning, controlling, managing or accepting, employment as officer, employee, consultant, counsel, broker, agent, trustee, or nominee in any private enterprise regulated, supervised or licensed by one's office, unless expressly allowed by law or regulation	<ul style="list-style-type: none"> • 1st Offense, Suspension (6 mos. 1 day to 1 year) • 2nd Offense, Dismissal
Disclosing or misusing confidential or classified information officially known by reason of one's office and not made available to the public, to further one's private interests or give undue advantage to anyone or to prejudice the public interest	<ul style="list-style-type: none"> • 1st Offense, Suspension (6 mos. 1 day to 1 year) • 2nd Offense, Dismissal
Obtaining or using any statement filed under the Code of Conduct and Ethical Standards for Public Officials and Employees for any purpose contrary to morals or public policy or any commercial purpose other than by news and communications media for dissemination to the general public	<ul style="list-style-type: none"> • 1st Offense, Suspension (6 mos. 1 day to 1 year) • 2nd Offense, Dismissal
Recommending any person to any position in a private enterprise which has a regular or pending official transaction with one's office, unless such recommendation or referral is mandated by law, or international agreements, commitment and obligation, or as a part of the function of one's office	<ul style="list-style-type: none"> • 1st Offense, Suspension (6 mos. 1 day to 1 year) • 2nd Offense, Dismissal

Less Grave Offenses	Penalties
Simple Neglect of Duty	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Simple Misconduct	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Gross discourtesy in the course of official duties	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Violation of existing civil service law and rules of serious nature	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Insubordination	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Habitual drunkenness	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Unfair discrimination in rendering public service due to party affiliation or preference	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Failure to file Sworn Statements of Assets, Liabilities and Net Worth, and Disclosure of Business Interest and Financial Connections, including those of their spouses and unmarried children under twenty one (21) years of age who are their dependent and living in their households	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal
Failure to resign from one's position in private business enterprise within thirty (30) days from assumption of public office or already in the service, when conflict of interest arises and/or failure to divest himself/herself of one's shareholdings or interest in private business enterprise within sixty (60) days from assumption of public office or already in the service.	<ul style="list-style-type: none"> • 1st Offense, Suspension (1 mo. 1 day to 6 mos) • 2nd Offense, Dismissal

Light Offenses	Penalties
Discourtesy in the course of official duties	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Improper or unauthorized solicitation of contributions from subordinate employees	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Violation of reasonable office rules and regulations	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Frequent unauthorized tardiness (Habitual Tardiness)	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Gambling prohibited by law	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Refusal to render overtime service	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Disgraceful, immoral or dishonest conduct prior to entering the service	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Borrowing money by superior officers from subordinates	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Lending money at usurious rates of interest	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Willful failure to pay just debts or willful failure to pay taxes due to the government	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Lobbying for personal interest or gain in the legislative halls and offices without authority	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Promoting the sale of tickets in behalf of private enterprises that are not intended for charitable or public welfare purposes and even in the latter cases if there is no prior authority	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Failure to act promptly on letters and request within fifteen (15) days from receipt, except as otherwise provided in the rules implementing the Code of Conduct and Ethical Standards for Public Officials and Employees	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Failure to process documents and complete action on documents and papers within a reasonable time, except as otherwise provided in the rules implementing the Code of Conduct and Ethical Standards for Public Officials and Employees	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal

Light Offenses	Penalties
Failure to attend to anyone who wants to avail himself/herself of the services of the office, or act promptly and expeditiously on public transactions	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Engaging in private practice of one's profession unless authorized by the constitution, law or regulation, where such practice conflicts with one's official functions	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal
Pursuit of private business, vocation or profession without the permission required by civil service rules and regulations	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension 1-30 days • 3rd Offense, Dismissal

Section 44. Additional Circumstances as Grounds for Administrative Disciplinary Action with their Corresponding Penalties

In addition to those prescribed above, this Code provides the following grounds for administrative disciplinary action:

Grave Offenses	Infractions	Penalties
Conduct prejudicial to the best interest of the service as defined under Section 15, 18 (F) (G) (J) and 30 of this Code	<ul style="list-style-type: none"> • Failure to uphold and demonstrate dignity, fairness and honesty • Taking advantage of one's position in the BIR as a result of one's personal relationship with taxpayers, whether social or business, including failure to inhibit from taking part, actively or through mediation of oneself, for cases involving tax investigation, audit or examination; adjudication of tax cases, redering of opinion and tax ruling, and other similar request • Acting as Attorney, Accountant, Consultant, Adviser, or like services, in behalf of a taxpayer, on tax related matters and involving the discharge of one's official function, • Undue and unauthorized dealings with taxpayers or their representative in the conduct of audit and examination of their books of account or accounting records, i.e. non-observance of the rules and procedures in the conduct of audit/examination of books of account or other accounting records; non-compliance with prescribed rules relating to the service of letters of authority/tax verification/letter notices, post reporting notices, assessment notices, demand letters, issuance of certificate authorizing registration (CAR); threatening or intimidating a taxpayer by making unreasonable demands; frequent visitation at taxpayer's place of business even after office hours; unauthorized disclosure of audit findings that do not bear the approval and conformity of the approving authority; premature disclosure to tax- 	<ul style="list-style-type: none"> • 1st Offense, Suspension for six (6) months and one (1) day to one (1) year • 2nd Offense, Dismissal

Grave Offenses	Infractions	Penalties
	<p>payer of audit findings which are not supported by substantial evidence</p> <ul style="list-style-type: none"> • Engaging the services of private individuals to perform secretarial/clerical function • Other similar or analogous acts or infractions 	
Violation Against Conflict of Interest as defined under Section 18 (C) and (D) of this Code	<ul style="list-style-type: none"> • Taking part in any bidding or sale of Government/BIR property under the direct control or supervision of the Government/BIR • Failure to disclose one's employment status with the BIR and observe the rules relating to sale of government/BIR property before making any such acquisition • Engaging in the practice of a profession or business, outside of one's employment with the BIR, without securing the approval of the proper authority • Seeking outside employment or engaging in the exercise of profession or business that would run in conflict with one's official duty and/or likely to affect or compromise one's performance 	<ul style="list-style-type: none"> • 1st Offense, Suspension for six (6) months and one (1) day to one (1) year • 2nd Offense, Dismissal
Engaging Directly or Indirectly in Partisan Political Activities as defined under Section 10 (A) of this Code	<ul style="list-style-type: none"> • Forming organizations, associations, clubs, committees or other groups for the purpose of soliciting votes and/or undertaking any campaign for or against a candidate for public office • Holding political caucuses, conferences, meetings, rallies, parades, or other similar assemblies, for the purpose of soliciting votes and/or undertaking any campaign or propaganda • Making speeches, announcements or commentaries or holding interviews for or against the election of any candidate for public office • Publishing or distributing campaign literature or materials designed to support or oppose the election of any candidate for public office; • Becoming a delegate to any political convention or member of any political committee or directorate or an officer of any political club or other similar political organizations • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Dismissal
Frequent unauthorized absences as defined under Section 29 (C) in relation to Section 8 (w) of this Code	<ul style="list-style-type: none"> • Absences exceeding the allowable 2.5 days monthly leave credit under the leave law for at least three (3) months in a semester or at least three (3) consecutive months during the year • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for six (6) months and one (1) day to one (1) year • 2nd Offense, Dismissal
Grave Misconduct as defined under Sections 12 (C) and 18 (I) of this Code	<ul style="list-style-type: none"> • Failure to observe the time-honored principle that Government/BIR-owned or leased motor vehicles are for official purpose only 	<ul style="list-style-type: none"> • 1st Offense, Dismissal

Grave Offenses	Infractions	Penalties
	<ul style="list-style-type: none"> • Unauthorized dealings with taxpayers or the latter's representatives where a conflict of interest would arise and/or obtain for himself/herself material or financial gain and business advantage • Indulging, bringing or keep intoxicating drinks or prohibited drugs or substance, during office hours, or while being present within the BIR's premises • Other similar or analogous acts or infractions 	
Grave Misconduct and Conduct Prejudicial to the Best Interest of the Service as defined under Section 18 (E) of this Code	<ul style="list-style-type: none"> • Accepting or having any member of one's family accept employment in a private enterprise which has a pending official business with him/her or within one year after the termination of his/her employment with the BIR; • Neglecting or refusing, after due demand or request, without sufficient justification, to act within a reasonable time on any matter pending before him/her for the purpose of obtaining, some pecuniary or material benefit or advantage, or for the purpose of favoring his/her own interest, or giving undue advantage and/or discriminating against any person or other interested party; • Entering into, on behalf of the BIR, any contract or transaction manifestly and grossly disadvantageous to said agency; • Having financial or pecuniary interest in any business, contract or transaction in connection with which one intervenes or takes part in one's official capacity; • Becoming interested for personal gain; or having a material interest in any transaction or act requiring the approval of a board, panel or group of which one is a member, and for which one exercises discretion in the approval; • Approving or granting any registration, award, privilege or benefit in favor of any person not qualified for or not legally entitled to such registration; • Capitalizing, exploiting or taking advantage on account of private individual's family or close personal relation/association requesting or receiving any present, gift or material or pecuniary advantage from such individual having some business, transaction, application, request or contract where said revenue personnel has to intervene. • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Dismissal
Gross Neglect of Duty as defined under Section 12 (A) (B) (D) (E) and (F) of this Code	<ul style="list-style-type: none"> • Failure to account for and deposit money, property or other thing of value received by or coming into his/her custody in connection with the discharge of his/her duties and/or relating to en- 	<ul style="list-style-type: none"> • 1st Offense, Dismissal

Grave Offenses	Infractions	Penalties
	<p>forcement of internal revenue laws</p> <ul style="list-style-type: none"> • Failure to observe that the use of government time, property and/or facilities including equipment and supplies are not for personal business of unauthorized use • Failure to observe that government/BIR-owned or leased motor vehicle are for official purpose only • Failure to maintain the integrity and security of official documents and information by unlawful concealment. Alteration, mutilation, obliteration or distraction thereof or by removing the same without any official purpose or authority • Failure to observe in the protection and safekeeping of government/BIR money and property resulting into loss and/or damage thereof • Failure to turn-over government/BIR money and property in accordance with existing rules and regulations • Other similar or analogous acts or infractions 	
Inefficiency and incompetence in the performance of official duties as defined under Sections 11, 14, and 16 of this Code	<ul style="list-style-type: none"> • Failure to enforce and implement BIR policies and programs • Failure to perform high quality service • Abuse in the exercise of discretionary powers • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for six (6) months and one (1) day to one (1) year • 2nd Offense, Dismissal
Nepotism as defined under Section 8 (jj) of this Code	<ul style="list-style-type: none"> • Appointing or recommending any relative within the 3rd degree of consanguinity or affinity of the appointing or recommending authority to any position in the BIR • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Dismissal
Refusal to perform official duty as defined under Section 11 of this Code	<ul style="list-style-type: none"> • Non-implementation of BIR policies and programs • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for six (6) months and one (1) day to one (1) year • 2nd Offense, Dismissal
Serious Dishonesty⁹¹ as defined under Sections 22 and 35 (B) in relation to Section 8 (m) of this Code	<ul style="list-style-type: none"> • Failure to establish and maintain a transparent, effective and efficient procurement system in the BIR • Failure to observe potential conflicts of interest • Using his/her position to benefit himself/herself being involved in the procurement of BIR's goods, supplies, property, consultancy and services • Failure to observe the guiding principles required • The presence of any of the attendant circumstances in the commission of the 	<ul style="list-style-type: none"> • 1st Offense, Dismissal⁹²

⁹¹ Civil Service Commission Resolution No. 060538 dated June 5, 2006

⁹² Section 2(a &b), Rules on the Administrative Offense of Dishonesty, CSC Resolution No. 060538, April 4, 2006

Grave Offenses	Infractions	Penalties
	<p>dishonest act</p> <ul style="list-style-type: none"> • Other similar or analogous acts or infractions 	
Sexual Harassment Case as defined under Section 25 (3) of this Code	<ul style="list-style-type: none"> • Demanding sexual favor from another regardless of whether such demand for submission is accepted by the object of such sexual favor because of authority, influence or moral ascendancy over the latter in the workplace • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Dismissal
Unauthorized Disclosure/ Divulgence of Confidential Information as defined under Section 19 (A) of this Code	<ul style="list-style-type: none"> • Disclosure of any official information or document or divulgence of any information or document, obtained by one in the discharge of official function, other than those as allowed by law or by proper authority, including discussion concerning revenue service operation • Divulgence to any person or making known, in any other manner than may be provided by law, information regarding the business, income or estate of any taxpayer, the secrets, operation, style or work, or apparatus of any manufacturer or producer, or confidential information regarding the business of any taxpayer, knowledge of which was acquired by him/her in the discharge of official duties • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for six (6) months and one (1) day to one (1) year • 2nd Offense, Dismissal
Unauthorized Solicitation and Acceptance of Gift and Benefits for the purpose of gaining undue influence and advantage or in exchange of a favor as defined under Section 21 of this Code	<ul style="list-style-type: none"> • Solicitation, request, acceptance and/or receiving any gift, benefit, gratuity, favor, service, loan, entertainment or anything of monetary value, for oneself or for others, or from other persons, in the course of his/her official duty or in connection with any official operation or dealing of which he/she is required to pass upon or regulate on any transaction • Acceptance of any fee or remuneration beyond what he/she is legally entitled to receive • Giving of gifts or gratuities to the employee's families and relatives where he/she is prohibited to accept by reason of his/her official connection with the giver/donor • Accepting of gifts, gratuities presents, emoluments, offices or titles from foreign governments, except with the consent of Congress • Solicitation of gifts or contributions in any kind from other persons or employees as gifts or presents to superiors, the receipt of which might tend to influence the official concerned • Accepting of gifts or other benefits from a subordinate, or family and relatives of subordinates, including offering of gifts 	<ul style="list-style-type: none"> • 1st Offense, Dismissal

Grave Offenses	Infractions	Penalties
	<p>or other benefits to a superior, or to a superior's family or relatives</p> <ul style="list-style-type: none"> • Other similar or analogous acts or infractions such as Direct Bribery and Indirect Bribery as defined under Section 8 (e) of this Code 	

Less Grave Offenses	Infraction	Penalties
Failure to comply with the Requirement for Validity of Divestment of Interest as defined under Section 18 (B) of this Code	<ul style="list-style-type: none"> • Failure to resign from one's position in any private business enterprise within thirty (30) days from one's assumption of office and/or within sixty (60) days from becoming a shareholder or holder of rights thereof. • Failure to mandatorily divest oneself of interests or participation, even if one has already resigned as such stockholder and/or officer of said private entity. • Failure to transfer of interests or divestment of one's shares/participations to any individual, firm, or other entity, except to one's spouse and relatives within the fourth civil degree of consanguinity or affinity. • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for one (1) month and one (1) day to six (6) months • 2nd Offense, Dismissal
Gross discourtesy in the course of official duties as defined under Section 17 (A) of this Code	<ul style="list-style-type: none"> • Failure to observe proper courtesy, fairness and impartiality in the discharge of one's duties • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for one (1) month and one (1) day to six (6) months • 2nd Offense, Dismissal
Insubordination as defined under Section 31 (1) of this Code	<ul style="list-style-type: none"> • Failure to comply with RTAO and RSO • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for one (1) month and one (1) day to six (6) months • 2nd Offense, Dismissal
Less Serious Dishonesty⁹³ as defined under Section 35 (C) in relation to Section 8 (m) of this Code	<ul style="list-style-type: none"> • The presence of any of the attendant circumstances in the commission of the dishonest act • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension, for six (6) months and one (1) day to one (1) year • 2nd Offense, Dismissal⁹⁴
Neglect of Duty as defined under Section 20 of this Code	<ul style="list-style-type: none"> • Failure to comply with the requirements for the filing of SALN • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for one (1) month and one (1) day to six (6) months • 2nd Offense, Dismissal
Simple Misconduct as defined under Sections 10 (B), 33 and 34 of this Code	<ul style="list-style-type: none"> • Failure to uphold and abide by his/her Oath of Office, including adherence to loyalty and prohibition against strikes • Failure to maintain public trust and confidence in dealing with public and colleagues • Failure to lead a modest and simple living appropriate to his/her earning 	<ul style="list-style-type: none"> • 1st Offense, Suspension for one (1) month and one (1) day to six (6) months • 2nd Offense, Dismissal

⁹³ Civil Service Commission Resolution No. 060538 dated June 5, 2006

⁹⁴ Section 2(a &b), Rules on the Administrative Offense of Dishonesty, CSC Resolution No. 060538, April 4, 2006

Less Grave Offenses	Infraction	Penalties
	<p>capacity, station in life, and/or position</p> <ul style="list-style-type: none"> • Other similar or analogous acts or infractions 	
Simple Neglect of Duty as defined under Sections 12 par (1), 23 and 26 of this Code	<ul style="list-style-type: none"> • Failure to perform his/her responsibilities as head of office • Failure to disclosure to Proper Authorities of any Violation, Infraction, Misconduct and Unethical Behavior • Disregard of necessary synergy and innovativeness required for the attainment of the office goods • Other similar or analogous acts or infraction 	<ul style="list-style-type: none"> • 1st Offense, Suspension for one (1) month and one (1) day to six (6) months • 2nd Offense, Dismissal

Light Offenses	Infractions	Penalties
Discourtesy in the discharge of official functions as defined under sections 17 (b) and 25 (1) (2) of this code	<ul style="list-style-type: none"> • Failure to uphold courtesy and respect in dealing with Attorneys and Accountant • Failure to observe the prescribed guidelines and procedures in the conduct of tax audit and examination, as well as tax mapping operations and similar activities • Failure to observe fair and object treatment of colleagues and to ensure that working place is conducive for good working environment • Discriminating against one's colleagues on grounds of regional/cultural diversity, gender, gender preference, age, civil status, pregnancy, parenthood, religious belief or activity, physical disability and political opinion • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension for one (1) to thirty (30) days • 3rd Offense, Dismissal
Engaging in Illegal Gambling and betting as defined and enumerated under Section 36 of this Code	<ul style="list-style-type: none"> • Illegal cockfighting • Illegal Numbers Game, Jueteng, Masiao, Last Two & other forms of illegal gambling involving betting of anything of value or any game of chance where there is betting of money • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension for one (1) to thirty (30) days • 3rd Offense, Dismissal
Habitual Tardiness as defined under Section 29 (B) in relation to Section 8 (y) of this Code	<ul style="list-style-type: none"> • Tardiness, without any justifiable cause, or irregular office attendance • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension for one (1) to thirty (30) days • 3rd Offense, Dismissal
Simple Dishonesty⁹⁵ as defined under Section 35 (D) in relation to Section 8 (m) of this Code	<ul style="list-style-type: none"> • The presence of any of the attendant circumstances in the commission of the dishonest act • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Suspension for one(1) month and one (1) day to six(6) months • 2nd Offense, Suspension for six(6) months and one (1) day

⁹⁵ Civil Service Commission Resolution No. 060538 dated June 5, 2006

Light Offenses	Infractions	Penalties
<p>Violation of reasonable office rules and regulations as defined under Sections 18 (H), 19 (B) to (E), 24, 27, 28, 31 (2), 32, 38,39 and 40 of this Code</p>	<ul style="list-style-type: none"> • Dealing with taxpayers not in accordance with the prescribed rules • Failure to follow the prescribed guidelines in the dissemination/circulation of revenue issuances to stakeholders • Failure to reply to letter, telefax, e-mail, text message within fifteen (15) working days from receipt thereof • Unauthorized production of information to private persons, entity, court or other government agencies • Acceptance of public speaking engagement or publication of articles relating to service operation without proper authority and unauthorized receipt of monetary compensation or other form of payment during such engagement • Failure to demonstrate the quality of a good leader and observe the required norms, values, conduct and behavior • Failure to observe proper office attire and uniform • Failure to observe the use and wearing of BIR identification card • Failure to follow the prescribed guidelines and procedures for the issuance of clearance, especially for pending cases covered by Letters of Authority, Tax Verification Notices, Letter Notices and Mission Orders and similar cases still pending with him • Failure to secure the necessary clearance from former office for pending cases covered by LA, TVN, LN, MO and similar cases • Failure of the Head of Office to allow his/her transfer without the required clearance • Failure of official and employee charged with the duty to enforce/observe the rule that only visitors with legitimate and official business with BIR, after securing the proper permit/visitor's pass • Failure to observe the "no smoking " rule • Entering into or making oneself visible in Nightclubs, Bars and Other Places of Entertainment by indulging in lavish spending • Association with disreputable persons • Former BIR employee transacting with 	<p>to one (1) year</p> <ul style="list-style-type: none"> • 3rd offense, Dismissal⁹⁶ • 1st Offense, Reprimand • 2nd Offense, Suspension for one (1) to thirty (30) days • 3rd Offense, Dismissal

⁹⁶ Section 2(c), Rules on the Administrative Offense of Dishonesty, CSC Resolution No. 060538, April 4, 2006

<i>Light Offenses</i>	<i>Infractions</i>	<i>Penalties</i>
	the BIR in behalf of any private firm he is connected with <ul style="list-style-type: none"> • Other similar or analogous acts or infractions 	
Willful failure to pay just debts or willful failure to pay taxes due to the government as defined under Section 13 of this Code	<ul style="list-style-type: none"> • Failure to pay just debts • Non-compliance with Tax Obligations for Revenue Officials and Employees Engaged In Business and/or Exercise of Profession • Other similar or analogous acts or infractions 	<ul style="list-style-type: none"> • 1st Offense, Reprimand • 2nd Offense, Suspension for one (1) to thirty (30) days • 3rd Offense, Dismissal

Chapter VIII – Transitory Provisions

Section 45. Separability Clause

In case any provision of this Code, or the application thereof, is declared invalid and/or inoperative under a given circumstance, the remaining applicable provisions shall not be affected thereby.

Section 46. Repealing Clause

This Code amends and/or supersedes the Updated Code of Conduct for Bureau of Internal Revenue Officials and Employees as implemented by Revenue Memorandum Order No. 50-98 dated June 1, 1998.

All revenue issuances contrary to or inconsistent herewith are deemed repealed and/or modified accordingly; *Provided*, that decisions or resolutions already final and executory at the time of the effectivity of this Code shall not in any way be nullified, modified or affected thereby.

Section 47. EFFECTIVITY CLAUSE

This Revised Code of Conduct for Bureau of Internal Revenue Officials and Employees shall take effect immediately upon its approval.

(ANNEX "1")

(Office)

**LIST OF BIR EMPLOYEES ISSUED
WITH CODE OF CONDUCT FOR BUREAU OF INTERNAL REVENUE
OFFICIALS AND EMPLOYEES UNDER RMO NO.____**

Name of Employee	Position/Designation	Unit Assigned
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		
22.		
23.		
24.		
25.		

Submitted by:

HEAD OF OFFICE

PLACE OF ASSIGNMENT

DATE

(Annex "2")

MEMORANDUM OF RECEIPT

I acknowledge receipt of a copy of the 2010 Code of Conduct for Bureau of Internal Revenue Officials and Employees as implemented by Revenue Memorandum Order No. _____ dated _____ from _____.
(Head of Office)

It is understood that having received a copy thereof, I am obliged to read its contents and abide thereby.

Name of Employee

Position/Designation

Service/Region-Division/RDO

Date Received

Submitted by:

(Original Signed)
**EUFROCINA SACDALAN-
CASASOLA**
OIC-Assistant Commissioner
Inspection Service

(Original Signed)
OSCAR M. ABILGOS
Head Revenue Executive Assistant
Inspection Service

(Original Signed)
EFREN P. MARTINEZ
Chief, Personnel Inquiry Division

(Original Signed)
LORNA M. FERNANDEZ
Chief, Internal Audit Division

(Original Signed)
DANIEL T. DE JESUS
OIC-Chief, Internal Security Division

RECOMMENDING APPROVAL:

(Original Signed)
GREGORIO V. CABANTAC
Deputy Commissioner
Legal and Inspection Group

APPROVED:

(Original Signed)
JOEL L. TAN-TORRES
Commissioner of Internal Revenue