

EXECUTIVE ORDER NO. 44

AUTHORIZING THE BUREAU OF INTERNAL REVENUE TO ACCEPT COMPROMISE PAYMENTS ON DELINQUENT ACCOUNTS AND DISPUTED ASSESSMENTS PENDING AS OF DECEMBER 31, 1985.

WHEREAS, the records of the Bureau of Internal Revenue show that over the past ten years, a great number of cases involving disputed assessments and delinquent accounts for internal revenue taxes had accumulated;

WHEREAS, there is a need to clear this backlog of pending cases of disputed assessments and delinquent accounts;

WHEREAS, there is a further need to raise revenues;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

SECTION 1. The Commission of Internal Revenue or his duly authorized representatives may compromise any disputed assessment or delinquent account pending as of December 31, 1985, upon the payment of an amount equal to thirty percent (30%) of the basic tax assessed. In such cases, the Commissioner of Internal Revenue or his duly authorized representatives shall condone the corresponding interests and penalties.

SECTION 2. The Commissioner of Internal Revenue, should the circumstances warrant and upon the recommendation of a Committee created by him, may reduce the thirty percent (30%) compromise settlement rate referred to above, but in no case shall the final amount be lower than ten percent (10%) of the basic tax assessed.

SECTION 3. The Minister of Finance, upon recommendation of the Commissioner of Internal Revenue, shall promulgate the necessary rules and regulations to implement this Executive Order.

SECTION 4. Section 246 of the National Internal Revenue Code, as amended, is hereby suspended with respect to the disputed assessments and delinquent accounts referred to herein for the duration of the effectivity hereof.

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SECTION 5. All laws, orders, issuances, rules and regulations or any part thereof inconsistent with this Executive Order is hereby repealed or modified accordingly.

SECTION 6. This Executive Order shall take effect immediate and shall remain effective until March 31, 1987.

Done in the City of Manila, this 4th day of September, in the year of Our Lord, nineteen hundred and eighty-six.

(SGD.) CORAZON C. AQUINO
President of the Philippines

By the President:

(SGD.) JCKER P. ARROYO
Executive Secretary