



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 04

DIRECTING THE ABOLITION OF THE ONE-STOP-SHOP INTER-AGENCY TAX CREDIT AND DUTY DRAWBACK CENTER, AND TRANSFERRING ITS ASSETS, LIABILITIES AND OBLIGATIONS TO THE DEPARTMENT OF FINANCE

WHEREAS, Administrative Order (AO) No. 266 (s. 1992) created the One-Stop-Shop Inter-Agency Tax Credit and Duty Drawback Center ("OSS Center") for the orderly and expeditious processing of tax credits and duty drawbacks under various laws;

WHEREAS, AO No. 138 (s. 1994) declared the OSS Center as a permanent unit of the Department of Finance (DOF);

WHEREAS, there is a continuing need for institutional strengthening and promotion of economy, efficiency and effectiveness in the delivery of public service across all executive departments and offices, consistent with the rightsizing policy of the Administration, including the rationalization of functions and activities carried out by the public sector;

WHEREAS, it is the policy of the National Government to rationalize the functional structures of agencies with complementary mandates and promote coordination efficiency and organization coherence in the bureaucracy;

WHEREAS, Section 17, Article VII of the Constitution vests in the President the power of control over all executive departments, bureaus and offices; and

WHEREAS, Section 90, in relation to Section 92, of the General Provisions of Republic Act No. 11936 or the "General Appropriations Act for Fiscal Year 2023" provides that the President is authorized to approve the organizational and staffing modifications needed in streamlining and improving productivity in agency organization and operations, which includes the abolition of bureaus, offices and units under the Executive branch;

NOW, THEREFORE, I, FERDINAND R. MARCOS, JR., President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

Section 1. Abolition of the OSS Center. The OSS Center is hereby abolished. Within ninety (90) working days from the effectivity of this Order, the Secretary of Finance shall fully implement the abolition, including the disposition and transfer of the OSS Center's functions, personnel, and assets, as may be necessary.

THE PRESIDENT OF THE PHILIPPINES

Section 2. Transfer of Functions. Subject to existing laws, rules and regulations, the functions of the OSS Center of processing and issuing TCCs and duty drawbacks are hereby transferred to the Bureau of Internal Revenue (BIR) and Bureau of Customs (BOC), respectively.

Subject to the approval of the DOF, the BIR and the BOC shall prescribe procedures to ensure that necessary control measures are established to safeguard against fraudulent claims in the processing and issuance of tax credits and duty drawbacks.

Section 3. Transfer of Assets and Liabilities. All relevant files, documents and records under the custody of the OSS Center shall be transferred to the BIR and BOC, accordingly.

All other assets and liabilities of the OSS Center shall be transferred to the DOF in accordance with pertinent auditing laws, rules and regulations, except all cash separately held in trust or otherwise by the OSS Center, which shall be directly remitted to the National Treasury.

Section 4. Separation of Personnel. The OSS Center personnel shall be separated from service, and shall be allowed to receive separation benefits under applicable laws, rules and regulations, unless they are appointed to other positions in the government, in accordance with existing civil service rules. All vacant positions in the OSS Center shall be abolished.

The separation pay authorized herein shall be charged against the available funds of the DOF, and such other funding sources that the Department of Budget and Management may identify, subject to existing budgeting, accounting and auditing laws, rules and regulations.

Section 5. Separability. If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 6. Repeal. All other orders, issuances, rules and regulations, or parts thereof, which are inconsistent with the provisions of this Order are hereby repealed or modified accordingly.

Section 7. Effectivity. This Order shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.

DONE, in the City of Manila, this 20th day of February, in the year of Our Lord, Two Thousand and Twenty-Three.

By the President:


LUCAS P. BERSAMIN
Executive Secretary

