REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

August 15, 2006

REVENUE MEMORANDUM CIRCULAR NO. 54-2006

SUBJECT: Publishing the full text of CIRCULAR NO. 2006-005 by the Chairman of Commission on Audit dated July 13, 2006 entitled amendment to Item 7.1 of COA Circular No. 97-002 dated February 10, 1997 on the granting , utilization and liquidation of cash advances

TO : All Internal Revenue Officers, Employees and Others Concerned

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For the information and guidance of all internal revenue officers, employees and others concerned, quoted hereunder is the full text of Circular No. 2006-005 by the Chairman of Commission on Audit dated July 13, 2006:

"*Republic of the Philippines*
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City, Philippines

CIRCULAR **No. : 2006-005**
Date : **JUL 13 2006**

TO: All Heads of Departments, Bureaus, Offices, Agencies and Instrumentalities of the National Government, Heads of Local Government Units, Managing Heads of Government-Owned Or Controlled Corporations, including their Subsidiaries, COA Directors, COA Auditors, and All Others Concerned.

SUBJECT: AMENDMENT TO ITEM 7.1 OF COA CIRCULAR NO. 97-002 DATED FEBRUARY 10, 1997 ON THE GRANTING, UTILIZATION AND LIQUIDATION OF CASH ADVANCES.

In order to be attuned with the times and to rationalize the requirement on the posting of fidelity bond by accountable officers to realistic levels, Item 7.1 of COA Circular No. 97-002 dated February 10, 1997 is hereby amended to read as:

"7.1. Each accountable officer whose total cash accountability is not less than P5,000 shall be bonded. The

amount of bond shall depend on the total accountability of the officer as fixed by the Head of the Agency. An official or employee who has both money and property accountability shall be bonded only once to cover both accountabilities, but the amount of bond shall be in accordance with the Schedule issued by the Bureau of Treasury."

Any circular or directive in conflict herewith is hereby amended/modified accordingly.

This Circular shall take effect upon its publication.

(Original Signed)
GUILLERMO N. CARAGUE
Chairman

(Original Signed)
REYNALDO A. VILLAR
Commissioner

(Original Signed)
JUANITO G. ESPINO, JR.
Commissioner"

All revenue officials and employees are enjoined to give this Circular as wide a publicity as possible.

(Original Signed)
VIRGINIA L. TRINIDAD
Deputy Commissioner
Resource Management Group