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

February 19, 2004

REVENUE MEMORANDUM ORDER No. 15-2004

TO: **All Revenue Officials and Employees**

SUBJECT: Policies and Guidelines in the Availment of Leaves of Absence

---

I. OBJECTIVES

Availment of Leave of Absence is one of the most fundamental non-cash benefits enjoyed by public officials and employees. Their availment, however, should be governed by established policies and guidelines, to avoid disruptions in work activities, and to ensure that appropriate levels of productivity are maintained at all Bureau offices.

This Order is therefore being issued:

1. To prescribe the policies and guidelines in the filing of applications for leave of absence; and,

2. To provide more detailed information on the various types of leaves that may be availed of by revenue officials and employees.

II. DEFINITION OF TERMS

In accordance with the Civil Service Commission's Omnibus Rules on Leave, the following terms used in this Order are hereby defined as follows:

1. **Leave of Absence** – the right granted to officials and employees not to report for work – with or without pay – as may be provided by law.

2. **Commutation of Leave Credits –** the conversion of unused leave credits to their corresponding monetary value.

3. **Accumulation of Leave Credits –** the incremental acquisition of unused leave credits by an official or employee.

4. **Sick Leave –** the leave of absence granted specifically on account of illness or disability on the part of the employee, or of any member of his immediate family.

5. **Rehabilitation Leave –** the leave of absence taken on account of wounds or injuries incurred in the performance of an employee's duties.

6. **Vacation Leave –** the leave of absence granted to officials and employees for personal reasons, approval of which is dependent upon the necessities of the service.

7. **Forced Leave –** continuous or intermittent 5 days mandatory leave required of an employee in a given year.

8. **Maternity Leave –** the leave of absence granted to female employees legally entitled thereto, in addition to vacation and sick leave. For purposes of maternity leave, miscarriage shall be within the period of pregnancy.

9. **Paternity Leave –** the leave privilege granted to a married male employee allowing him not to report for work for a period of seven (7) days, either in a continuous or in an intermittent manner by the employee on the days immediately before, during and after childbirth or miscarriage of his legitimate spouse.

10. **Terminal Leave –** the money value of the total accumulated leave credits of a revenue employee, based on the highest salary received prior to or upon the employee's date of retirement / voluntary separation.

11. **Special Leave Privileges –** the leave of absence that officials and employees may avail of, for a maximum of three (3) days per year, over and above vacation, sick, maternity and paternity leaves, to mark personal milestones and/or attend to filial and domestic responsibilities.

12. **Parental Leave** - leave benefits granted to a solo parent to enable him/her to perform parental duties and responsibilities where physical presence is required. Parental leave of not more than seven (7) working days every year shall be granted to any solo parent employee who has rendered service of at least one (1) year.

13. **Sabbatical Leave** - granted to Career Executive Service Officers (CESO) and CES Eligible who are incumbents of CES positions for at least five (5) years and who have achieved a performance rating of at least Very Satisfactory under the CES Performance Evaluation System (CESPES) for five (5) consecutive years to pursue any of the activities of not more than six (6) months with pay identified as follows:

    - Sabbatical for personal growth, i.e., teaching in a state university or college, pursuit of advance studies, or other forms of professional advancement, secondment to an international organization, research or book writing; and,

    - Sabbatical for public service, i.e., involvement in a countryside development project of a local government unit (LGU), or of an accredited non-governmental organization or rendering assistance to an LGU where his expertise is required.

14. **Immediate family** – refers to the spouse, children, parents, unmarried brothers and sisters and any relative living under the same roof or dependent upon the employee for support. (Amended by CSC MC 6, s. 1999)

III. POLICIES AND GUIDELINES

A. Filing of Applications for Leave of Absence

1. Any application for Leave of Absence filed by any member of the Bureau's top management (Regional Director and up) shall be submitted for approval, as follows:

REQUESTING OFFICIAL	APPROVING OFFICER
• Reg. Director	• DCIR – Operations
• ACIR	• DCIR concerned
• Deputy Commissioner	• CIR
• CIR	• Secretary of Finance

2. Applications for Leave of Absence by any official or employee on detailed assignment shall be subject to the approval of the mother unit.

3. Applications for Leaves of Absence shall follow the general policies and guidelines summarized in the Table below:

TYPE OF LEAVE	DURATION	DEADLINE FOR FILING OF APPLICATION	APPROVING OFFICER	REQUIRED DOCUMENTS
Vacation Leave	Less than thirty (30) calendar days	Five (5) days before the effective date of leave	• Head of Office	• Application for Leave of Absence
	Thirty (30) days to one (1) year Calendar days	Five (5) days before the effective date of leave	• National Office: ACIR concerned • Regional Office: Reg. Director concerned	• Application for Leave of Absence • National / Regional Clearance • Report for duty
	More than one (1) year Calendar days	Fifteen (15) days before the effective date of leave	• National Office: DCIR of Group concerned • Regional Office: DCIR – Operations	• Application for Leave of Absence • National / Regional Clearance • Report for Duty upon return to work
Forced leave	5 working days whether continuous or intermittent in a given year	Five (5) days before the effective date of leave	• Head of Office	• Application for Forced leave
Sick Leave	Less than six (6) calendar days	Within five (5) days from the employee's return to work	• Head of Office	• Application for Leave of Absence

TYPE OF LEAVE	DURATION	DEADLINE FOR FILING OF APPLICATION	APPROVING OFFICER	REQUIRED DOCUMENTS
	Six (6) days to twenty-nine (29) calendar days	Within five (5) days from the employee's return to work provided head of office is informed officially or Five (5) days before the effective date of leave	• Head of Office	• Application for Leave of Absence Medical Certificate NO / MMRO - (validated by the Chief of the Medical Dental and Welfare Division [MDWD], RO – validated by any accredited government hospital
	Thirty (30) days to one (1) year calendar days	Within five (5) days from the employee's return to work provided head of office is informed officially or Five (5) days before the effective date of leave Or Within the sick leave period	• National Office: ACIR concerned • Regional Office: Reg. Director concerned	• Application for Leave of Absence • Medical Certificate NO / MMRO - (validated by the Chief of the Medical Dental and Welfare Division [MDWD], RO – validated by any accredited gov't hospital • National / Regional Clearance • Report for duty
Sick Leave	More than one (1) year calendar days	Five (5) days before the effective date of leave Or Within the sick leave period provided head of office is informed officially	• National Office: DCIR of Group concerned • Regional Office: DCIR – Operations	• Application for Leave of Absence • National/Regional Clearance Medical Certificate NO / MMRO - (validated by the Chief of the Medical Dental and Welfare Division [MDWD], RO – validated by any accredited gov't hospital. • Report for Duty
Rehabilitation Leave	Not more than six (6) months Calendar days	Five (5) days before the effective date of leave Or Within the leave period provided the head of office is informed officially	• DCIR of the Group concerned	• Application for Leave of Absence • Medical Certificate (validated by the Chief, MDWD) • Evidence that injuries were incurred in the line of duty • Report for duty
Maternity Leave	Sixty (60) Calendar days	Fifteen (15) days before the applicant goes on leave, *except in emergency cases* Or Within the maternity leave period provided the head of office is informed officially	• National Office: ACIR concerned • Regional Office: Reg. Director concerned	• Application for Leave of Absence • National / Regional Clearance • Medical Certificate • Report for Duty

TYPE OF LEAVE	DURATION	DEADLINE FOR FILING OF APPLICATION	APPROVING OFFICER	REQUIRED DOCUMENTS
	Less than sixty (60) Calendar days	Fifteen (15) days before the applicant goes on leave Or Within the maternity leave period provided the head of office is informed officially	• National Office: ACIR concerned • Regional Office: Reg. Director concerned	• Application for Leave of Absence • National / Regional Clearance • Medical Certificate stating that the employee is physically fit to assume duties, validated by the Chief, MDWD • Report for Duty
Paternity Leave	Not more than seven (7) days within one (1) calendar year	At least five (5) days before the date of availment, *except in emergency cases*	• Head of Office	• Application for Leave • Marriage contract • Medical certificate
Special Leave Privileges	Not more than three (3) days within a calendar year	At least five (5) days before the date of availment, *except in emergency cases*	• Head of Office	• Application for Leave
Parental Leave	Seven (7) working days	At least five (5) days before the date of availment, *except in emergency cases*	• Head of Office	• Application for Leave • Birth certificate of child • Adoption papers
Sabbatical Leave	Not more than six (6) months every five years	At least five(5) days before the date of availment	• CIR	• Application for Leave of Absence • National / Regional Clearance • Report for duty • School certificate • Sabbatical leave plan (refer to RMC 21-2000)
Terminal Leave		Within ten (10) yrs. from the time the right of action accrues upon an obligation created by law.	• ACIR, HRDS	• Application for Leave • National Office Clearance/Regional Clearance • Updated Service Records • Latest Appointment • Notice of Salary Adjustment/Notice of Step Increment • Statement of Assets & Liabilities as of last day of service • Certification of Last Salary Received

B. Five days forced/mandatory leave

1. All officials and employees with ten (10) days or more vacation leave credits shall be required to go on vacation leave whether continuous or intermittent for five (5) working days annually under the following conditions:

   - The head of agency shall, upon prior consultation with the employees, prepare a staggered schedule of the mandatory annual five-day vacation leave of officials and employees, provided that he may, in the exigency of the service, cancel any previously scheduled leave.

   - The mandatory annual five-day vacation leave shall be forfeited if not taken during the year. However, in cases where the scheduled leave has been cancelled in the exigency of the service by the head of agency, the scheduled leave not enjoyed shall no longer be deducted from the total accumulated vacation leave.

   - Retirement and resignation from the service in a particular year without completing the calendar year do not warrant forfeiture of the corresponding leave credits if concerned employees opted not to avail of the required five-day mandatory vacation leave.

   - Those with accumulated vacation leave of less than ten (10) days shall have the option to go on forced leave or not. However, officials and employees with accumulated vacation leave of fifteen (15) days who availed of monetization for ten (10) days, shall still be required to go on forced leave.

C. Rehabilitation Leave

1. In accordance with Section 55 of the Omnibus Rules on Leave, an employee may go on ***rehabilitation leave for job-related injuries***. Applications for leave of absence on account of injuries sustained in the performance of duties shall be made using the prescribed leave form, which must be supported by the appropriate medical certificate and evidence showing that such injuries were sustained in the line of duty.

2. The Deputy Commissioner, Resource Management Group may decide that an employee's absence during such period of disability shall be on full pay, but ***shall not exceed six (6) months***. The Deputy Commissioner, Resource Management Group may also authorize the payment of medical attendance, necessary transportation, subsistence, and hospital fees of the injured employee, subject to approval and availability of funds.

3. Absence due to Rehabilitation Leave ***shall not be charged against the concerned employee's Sick Leave or Vacation Leave credits***, if any.

C. Absence Without Official Leave

1. Any official or employee who is continuously absent without an approved application for leave of absence for at least thirty (30) working days, shall be considered ***Absent Without Official Leave (AWOL),*** and, in accordance with Section 63 of the CSC Omnibus Rules on Leave, ***shall be separated from the revenue service or dropped from the rolls without prior notice***.

2. If an employee has been continuously absent without an approved leave for less than thirty (30) calendar days, he / she shall be issued a "Return to Work" order at his / her last known address on record. ***Failure on the employee's part to comply with said order shall be considered as a valid ground to drop him / her from the rolls of the Bureau.***

3. The employee, however, shall be informed in writing by the Regional Director/DCIR of his being dropped from the rolls, which written notice shall be sent to his address appearing in his 201 Files not later than five (5) days from the date of effectivity of his separation from the revenue service.

4. Any official or employee who is absent without an approved leave shall NOT be entitled to receive his / her salary corresponding to the period of his / her unauthorized leave. ***His / her absence, however shall NOT be deducted from his / her accumulated leave credits, if any.***

D. Leave Without Pay

1. Any absence of an official or employee in excess of his / her accumulated vacation or sick leave credits shall be considered as ***leave without pay.***

2. Any employee who has already exhausted his sick leave credits may make use of his vacation leave credits, ***but not vice-versa.***

3. Leave without pay for a period not exceeding one (1) year may be granted to an employee, in addition to the vacation / sick leave credits he/she has earned. Any employee filing an application for leave without pay for more than one (1) month, however, must also secure the appropriate National or Regional Clearance.

4. Any official or employee on leave without pay, who fails to report for work at the expiration of one (1) year from the date of such leave shall be considered as ***automatically separated from the service.***

E. Maternity and Paternity Leave

1. Married or unmarried women in the revenue service who have rendered two (2) or more years of service shall be entitled to maternity leave of sixty (60) calendar days, ***with full pay.***

2. Married or unmarried female employees who have rendered at least one (1) year but less than two (2) years of service, shall be entitled to maternity leave that will be computed in proportion to their length of service, using the following formula:

$$\text{Days of Maternity Leave} = \frac{\text{No. of days' service}}{12}$$

Example: A married or unmarried female employee has rendered one (1) year and six (6) months of service.

$$\text{Days of Maternity Leave} = \frac{\text{540 days (1 year and 6 months)}}{12}$$

$$= \textbf{45 days}$$

3. Employees who have rendered less than one (1) year shall be entitled to 60 days maternity leave with half pay.

4. Employees who have rendered 2 years or more may go on maternity leave for less than sixty (60) days provided she presents a medical certificate that she is physically fit to assume the duties of her position.

5. When an employee wants to report back to duty before the expiration of her maternity leave, she may be allowed to do so without refunding the commuted money value of the unexpired portion of her maternity leave and she shall be paid the corresponding salary for the services rendered, provided, that the employee is physically fit for work as certified by a physician.

The formula of computation for this purpose is as follows:

$$\text{SALARY} = \frac{\text{MONTHLY SALARY RATE}}{\text{22 DAYS}} \times \text{ACTUAL NO. OF DAYS WORKED}$$

6. A married woman may be granted maternity leave more than once a year. Maternity leave shall be granted to female married employees in every instance of pregnancy irrespective of its frequency.

7. Every married male employee shall be entitled to paternity leave of seven (7) working days for the first four (4) deliveries of his ***legitimate spouse.***

8. Married Muslim male employees with more than one (1) legal spouse may avail of paternity leave for a maximum of four (4) deliveries, ***regardless of which of his spouses gives birth.***

9. Paternity leave shall be ***non-cummulative and strictly non-convertible to cash.***

F. Terminal Leave

1. Payment of Terminal Leave for purposes of retirement or voluntary resignation shall be based on the ***highest monthly salary*** received by the employee ***at any time during his period of employment in the government service, and not on his latest salary, unless the latter is the highest received by the retiree.***

2. Terminal Leave benefits shall be computed using the following formula:

TLB = S x D x CF

Where:

TLB – Total Terminal Leave Benefits
S – Highest Monthly Salary received
D – Number of accumulated leave credits (Vacation and Sick)
CF – the Constant Factor of **0.0478087** specified under Section 40 of the Amendments to CSC Memorandum Circular No. 41 (S. 1998)

3. Any official or employee who has reached the mandatory retirement age of sixty-five (65) years but whose services have been extended for another six (6) months ***will no longer earn leave credits.***

4. All Terminal Leave Applications shall be approved by the Assistant Commissioner, Human Resource Development Service.

G. Special Leave Privileges

1. In addition to vacation, sick, and maternity / paternity leaves, revenue officials and employees may, in accordance with Section 21 of the CSC Omnibus Rules on Leave, avail of the following special leave privileges listed hereunder:

- **Personal milestones,** which include birthdays, weddings / wedding anniversaries, and other similar milestones, including death anniversaries.

- **Parental obligations,** such as attendance in school programs, PTA meetings, graduation rites, and first communion rites; and medical needs.

- **Filial obligations,** which cover the employee's moral obligations towards his / her parents and siblings for their medical and social needs.

- **Domestic emergencies,** such as sudden urgent repairs needed at the employee's residence, or the abrupt absence of household help.

- **Personal transactions** to cover the entire range of transactions entered into by an individual with public and private offices, such as the payment of taxes, court appearances, the arrangement of housing loans, and others.

- **Calamity, accident, hospitalization leave,** which refer to *force majeure* events that affect the life, limb and property of an employee or his immediate family.

2. Special leave privileges are ***non-cumulative and strictly non-convertible to cash.***

3. The three (3) day limit for special leave privileges for a given year shall be strictly observed. An employee can avail of one special privilege for three (3) days, or a combination of any of the leaves for the maximum limit of three (3) days.

IV. REPEALING CLAUSE

All provisions of issuances, circulars and memoranda inconsistent herewith are hereby repealed.

V. EFFECTIVITY

This Order shall take effect immediately.

(Original Signed)
GUILLERMO L. PARAYNO, JR.
Commissioner of Internal Revenue

M-1:RE:erl:ecc