BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION

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

May 20, 2016

REVENUE MEMORANDUM ORDER NO. 37-2016

TO : **ALL REVENUE OFFICIALS AND EMPLOYEES CONCERNED**

SUBJECT : **GUIDELINES, PROCEDURES AND REQUIREMENTS IN THE PROCESSING OF SEPARATION BENEFIT CLAIMS**

I. BACKGROUND

Republic Act (RA) No. 10154 as implemented by Civil Service Commission (CSC) Memorandum Circular (MC) No. 07, s. 2013 mandated "the release of the retirement pay, pensions, gratuities and other benefits of all retiring employees of the government" within thirty (30) days from their date of retirement, provided all the necessary requirements have been timely submitted."

The objective of RA No. 10154 dovetails with the endeavor of the Bureau to speed up and avoid any unnecessary delay in the processing of separation benefit claims. Against this backdrop, this Order has been conceived to streamline the procedures in the processing of separation benefits.

II. OBJECTIVES

This Order is issued to:

1. Prescribe the policies, guidelines and procedures in the processing of claims for separation benefits;

2. Provide a uniform checklist of documentary requirements; and

3. Define the roles and responsibilities of various offices involved in the processing of separation benefit claims.

III. COVERAGE

This Order covers the processing of claims for benefits of employees separated from the revenue service on account of retirement, resignation, transfer to other government agencies, filing of certificates of candidacy, death and other modes of separation.

IV. POLICIES AND GUIDELINES

1. All Applications for retirement/resignation/permit to transfer to other government agency, copy of the Certificate of Candidacy filed with the Commission on Election (COMELEC) shall be submitted personally or through mail or courier service to the Head of Office by concerned official/employee.

   Letter/Notice of Death supported by the Death Certificate of an official/employee shall be submitted by the heirs or their authorized representative personally or through mail or courier service to the Head of Office of the concerned official/employee within thirty (30) days from the time of death.

   A revenue official/employee who fails to notify the Personnel Division (PD) within the period herein prescribed shall be administratively liable for neglect of duty.

2. Upon receipt of the application for retirement/resignation/permit to transfer to other government agency, copy of the Certificate of Candidacy filed with COMELEC and Letter/Notice of Death, the concerned Heads of Offices in the National/Regional Offices shall forward the same to the Chief, PD/Chief, Administrative and Human Resource Management Division (AHRMD) through their Assistant Commissioner (ACIR)/Regional Director (RD), respectively, within two (2) working days from receipt thereof.

3. Accountable/revenue officers who have reached the mandatory retirement age, thus will compulsorily retire, shall be assigned tasks which will entail no property and form accountabilities, such as Documentary Stamps, Strip Stamps, Letters of Authority (LAs)/Tax Verification Notices (TVNs), Dockets, Mission Orders, among others six (6) months before the date of their separation from the service.

4. Compulsory retirees shall secure Revenue District Office (RDO)/Regional Office (RO)/National Office (NO) Clearance within six (6) months prior to the date of their separation, however, a Final Clearance shall be secured on the effectivity date of separation.

5. The Application for Retirement/Resignation/Permit to Transfer to other Government Agency shall be addressed to the Commissioner of Internal Revenue (CIR)/RD, Attention: Chief, PD/Chief, AHRMD for employees in the National/Regional Offices, respectively.

6. The Application for Compulsory Retirement shall state the retirement package the retiree intends to avail of and shall be filed at least one hundred twenty (120) days prior to the employee's actual retirement date pursuant to Civil Service Resolution (CSC) No. 1300237 dated 30 January 2013.

7. The Application for Optional/Disability Retirement/Resignation and Permit to Transfer to Other Government Agency shall be filed at least thirty (30) days prior to the actual date of separation.

8. Retirees shall immediately submit the documents required for processing of his/her separation benefits as stated in Annex A hereof to PD/AHRMD.

9. The PD shall prepare the Approval/Acceptance of the Application for Retirement/ Resignation/Permit to Transfer for signature of the CIR within five (5) days from receipt of

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
RECEIVED

the Application for retirement/resignation/permit to transfer already signed and approved by the CIR can no longer be withdrawn.

10. Processing of separation benefit claims by PD shall commence only upon receipt of the complete documentary requirements as specified in Annex A hereof within the period prescribed herein, exclusive of the period for securing the clearances from the Office of the Ombudsman (OMB), CSC and Office of the President (OP) for Presidential appointees.

Benefit	No. of Days To Process
1. Terminal Leave (TL) Benefit	Ten (10) working days from completion of the National Office Clearance (NOC) and receipt of the OMB, CSC and OP clearances
2. Application for GSIS Retirement/ Cash Surrender Value/Separation Benefit	Five (5) working days from receipt of the NOC, OMB, CSC and OP clearances
3. Death Benefit	Five (5) working days from receipt of the Designation of Legal Heirs/ Beneficiaries from the Legal Service
4. Application for GSIS Separation Benefit for Involuntary Separation	Five (5) working days from receipt of NOC and clearance or certificates of pending cases/decisions from the OMB, CSC and OP

11. The PD/AHRMD shall accept only application/claims for separation benefits supported by complete documents. Only applications/claims for separation benefits supported by complete documents shall be forwarded by the AHRMD to PD within two (2) working days from receipt thereof.

    In the event that incomplete separation documents had inadvertently been received by PD/AHRMD, a written notification shall be sent to the concerned employee of the deficient documents within two (2) days from receipt thereof. Reckoning period for the processing of the separation benefits shall commence upon receipt of the lacking document/s.

12. The processors of PD and AHRMD shall reconcile the posting in the leave cards.

13. The Chief, PD/AHRMD and the Chief, Accounting Division (AD)/Finance Division (FD) in the National and Regional Offices shall ensure that the Certificate of Leave without Pay (LWOP) is reconciled with the leave cards, and the overpayment of salaries and other benefits due to LWOP must be settled.

14. The PD shall prepare the Obligation Request and Status (ORS) and Disbursement Voucher (DV) accompanied by the documentary requirements prescribed in Annex A, heretofore called as the Separation Docket. The Separation Docket shall consist of:

    1. One (1) folder (labeled as Terminal Leave Folder) containing the following documents:

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
RECEIVED

1.1 Obligation Request and Status (ORS) and Disbursement Voucher (DV)

1.2 All documents prescribed in Annex A

2. One (1) folder (labeled as DBM Folder) containing the documents required by DBM to support requests for release of funds (DBM Circular No. 2013-1 dated April 12, 2013).

3. List of Actual Retirees to be Paid (LARP)

15. The PD shall prepare the LARP every Friday of each week for all DBM Folders received until Thursday of the week.

16. The AD shall check the completeness of the documentary requirements attached to the LARP as prescribed in Annex A, within five (5) working days upon receipt from PD.

Should the docket be returned by AD for clarifications, PD shall act on the returned dockets within five (5) working days from receipt thereof.

17. Accountable/revenue officers in the National and Regional Offices with accountabilities shall coordinate and reconcile their records immediately with;

National Office:
Chief, Accountable Forms Division
Chief, Property Division
Chief, Accounting Division
Chief, Revenue Accounting Division

Regional Office (RO):
Chief, Finance Division
Chief, Administrative and Human Resource Management Division
Chief, Assessment Division in the case of Revenue Officers (Assessment)
Chief, Collection Division in the case of Seizure Agents and Collection Officers

18. It shall be the duty of the Officials listed hereunder to monitor and send a written notification to the concerned employees regarding their accountabilities:

National Office:
Chief, Accountable Forms Division
Chief, Property Division
Chief, Revenue Accounting Division
Chief, Accounting Division

Regional Office (RO):
Chief, Finance Division
Chief, Administrative and Human Resource Management Division
Chief, Assessment Division in the case of Revenue Officers (Assessment)
Chief, Collection Division in the case of Seizure Agents and Collection Officers

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
RECEIVED

V. PROCEDURES

A. APPLICANT

1. Submit Application for Retirement/Resignation/Permit to Transfer to other Government Agency to concerned Head of Office at least one hundred twenty (120) days for compulsory retirees and at least thirty (30) days prior to the effectivity date of separation for those availing other modes of separation.

2. Receive from PD a copy of the signed/approved retirement/resignation/permit to transfer to other agencies.

3. Submit to PD/AHRMD all the documentary requirements (Annex A) for processing of their claims for separation benefits duly indorsed by concerned ACIR/RD.

4. Proceed to GSIS upon receipt of signed GSIS forms from PD.

5. Submit to PD a copy of the GSIS Clearance as a requirement for processing of their terminal leave benefits.

B. ADMINISTRATIVE AND HUMAN RESOURCE MANAGEMENT DIVISION

1. Forward to PD the Application for Retirement/Resignation/Permit to Transfer to other Government Agency received from concerned official/employee duly indorsed by the RD within two (2) working days from receipt thereof.

2. Effect stoppage of salary on the date of their separation.

3. Inform FD thru a memorandum of the salary stoppage.

4. Request OMB, CSC and OP clearance one (1) month prior the effectivity date of separation.

5. Receive complete separation documents (Annex A) from concerned official/employee.

6. Compute/reconcile leave credits of the retiree and certify the correctness of the same.

7. Prepare Certification of Leave Without Pay (LWOP) based on the computed / reconciled leave credits of the retiree.

8. Secure Certification of Payments for LWOP of the retiree from FD, if any.

9. Submit certified true copy of leave cards of the retiree as attachment to the computed/reconciled leave credits of the retiree.

10. Certify the completeness of the required documents.

11. Forward separation docket of the retiree with complete documents, together with computed/reconciled and certified correct leave credits, certified true copy of the leave cards, Certification of LWOP and Certification of Payments of LWOP, if any, to PD within five (5) days upon receipt thereof.

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
RECEIVED

C. PERSONNEL DIVISION

1. Receive Application for Retirement/Resignation/Permit to Transfer to other Government Agency of concerned official/employee duly indorsed by the ACIR / RD.

2. Prepare letter for acceptance/approval/disapproval of Application for Retirement/ Resignation/ Permit to Transfer to other Government Agency of the retiree for signature of the CIR. Once signed and approved by the CIR, send a copy of the same to the retiree.

3. Effect stoppage of salary on the date of their separation.

4. Furnish AD with a copy of memorandum for salary stoppage of concerned retirees.

5. Receive separation docket with complete documents from AHRMD/mail/retiree.

6. Prepare National Office Clearance (NOC) for routing to other Offices.

7. Appoint a Liaison Officer responsible for routing of the NOC.

8. Request Service Record of the retiree from the Information and Records Section.

9. Compute/reconcile leave credits of the retiree for Terminal Leave (TL) benefits.

10. Prepare LWOP based on the computed/reconciled leave credits of the retiree.

11. Evaluate the completeness of required documents and process TL benefit claims.

12. Receive from OCIR Approved/Disapproved application of employees to retire (optional/disability retirement, resign, permit to transfer to other government agency, including filing of certificate of candidacy).

13. Prepare ORS, and DV and forward to BD (Separation Docket) upon receipt of copy of SARO and NCA.

14. Prepare LARP with complete attachments and forward the same to AD for audit and signature.

15. Receive signed LARP from DCIR-RMG and forward to BD.

For Compulsory Retirement

1. Prepare list of retirees from the National and Regional Offices every June of each year, copy furnished:

National Office	Regional Office
Revenue Accounting Division	Finance Division
Property Division	Administrative and Human Resource

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
RECEIVED

Management Division

Accountable Forms Division

Collection Division
Assessment Division

2. Send a letter to retirees containing the checklist of requirements for them to accomplish/submit six (6) months before the actual date of retirement;

For Compulsory/Optional/Disability Retirement/Resignation/Notification of Filing of Certificate of Candidacy

3. Request OMB, CSC, OP clearance for retirees one (1) month before the effectivity date of separation.

4. Process required documents for GSIS claims of retirees and forward to ACIR, Human Resource Development Service (ACIR, HRDS) for signature.

5. Prepare Application for Leave form for signature of the retiree and Chief, PD.

6. Prepare documentation for the Terminal Leave folder of the Separation Docket and forward the same to AD for pre-audit.

7. Prepare documentation for the DBM folder of the Separation Docket and forward the same to BD for funding.

8. Receive a copy of the SARO from BD.

For Transfer to Other Government Agency

1. Process and route Permit to Transfer for signature of the CIR upon completion of the NOC.

2. Prepare Certification of Transferred Leave Credits of the concerned employee upon receipt of the approved Permit to Transfer from the Office of the CIR (OCIR).

3. Release Permit to Transfer, Service Record and Certification of Leave Credits upon receipt of a copy of Appointment and Report for Duty from his/her new office.

For Death Claims under RA 1616:

1. Receive Letter/Notice of Death supported with Death Certificate of the retiree.

2. Prepare Application for Leave form for signature of the legal heir and Chief, PD.

3. Compute retirement gratuity (RA 1616) and prepare letter (Annex B) for approval of the CIR and transmit to HRDS for initial.

4. Forward GSIS Forms i.e. Application for Retirement and Other Social Insurance Benefits and Application for Survivorship Benefits duly signed by the legal heir/s to HRDS.

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION

JUN 30 2016

RECEIVED

5. Prepare Certification of Verification of Service Record (Annex C) signed by the Chief, PD and transmit to ACIR, HRDS for signature.

6. Prepare and transmit Memorandum to ACIR, Legal Service for affirmation of designation of legal heirs.

7. Prepare Memorandum to AD re: Designation of Legal Heirs and Waiver, if applicable, for signature of ACIR, HRDS.

8. Prepare Memorandum for the GSIS re: Refund of Personal Retirement Premiums Paid With Interest and Government Share (Annex D) and transmit to the ACIR, HRDS for signature.

9. Receive from HRDS signed GSIS Forms i.e. Application for Retirement and Other Social Insurance Benefits and Application for Survivorship Benefits of the retiree and release to retiree.

10. Receive from Legal Service (LS) signed Memorandum for affirmation of designation of legal heirs.

11. Receive from HRDS signed Memorandum to AD re: Designation of Legal Heirs and Waiver.

12. Receive from OCIR Approved/Disapproved Retirement Gratuity Claims (Annex B).

13. Receive from HRDS signed Certification of Verification of service record (Annex C).

14. Receive from OCIR signed Memorandum for the GSIS re: Refund of Personal Retirement Premiums Paid With Interest and Government Share (Annex D).

15. Release retirement papers to legal heir for filing of claims with GSIS for approval/clearance.

16. Receive approved/disapproved retirement papers from the GSIS.

17. If approved, process Retirement Gratuity (RG) Claim and Terminal Leave Benefit.

18. If disapproved, inform concerned legal heir in writing.

19. Receive a copy of the SARO from BD.

D. BUDGET DIVISION

1. Receive duly signed LARP together with complete required documents from PD and transmit to the DBM with request for funding.

2. Furnish PD with a copy of the SARO which contains the names of the retirees and the amount funded by the DBM for the Terminal Leave Benefit of retirees in the LARP, as well as AD together with the corresponding Notice of Cash Allocation (NCA).

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
RECEIVED

3. Receive ORS, DV with complete supporting documents from PD and certify availability of allotment for TL/RG benefits.

E. ACCOUNTING DIVISION

1. Receive LARP with complete attachments from PD.

2. Check completeness of attachments based on the Checklist of Documentary Requirements (Annex A) as prescribed under DBM Circular No. 2013-1 dated April 12, 2013.
3. Sign LARP (Chief, AD) and forward to ACIR, HRDS, for initial.

4. Receive from BD a copy of the Special Allotment Release Order (SARO), Original copy of Notice of Cash Allocation (NCA), ORS, DV with complete supporting documents.

5. Pre-audit claims.

F. HUMAN RESOURCE DEVELOPMENT SERVICE

1. Receive from PD and affix initial on the Approval of Application for Compulsory/Optional/Disability Retirement / Acceptance of Resignation / Permit to Transfer to other Government Agency.

2. Forward the Approval of Application for Compulsory/Optional/Disability Retirement/Acceptance of Resignation/Permit to Transfer to Other Government Agency to DCIR-RMG for initial.

3. Receive and sign processed GSIS Forms i.e. Application for Retirement and Other Social Insurance Benefits and Application for Survivorship Benefits of the retiree and return to PD.

4. Receive from PD and affix initial on the Application for Retirement Gratuity (Annex B) and forward to DCIR-RMG for initial.

5. Receive and sign Certification of Verification of service record (Annex C) and return to PD.

6. Receive from PD and sign Memorandum to Accounting Division re: Designation of Legal Heirs and Waiver, if applicable, and return to PD.

7. Receive from PD and sign Memorandum for the GSIS re: Refund of Personal Retirement Premiums Paid With Interest and Government Share (Annex D) and forward to DCIR-RMG for initial.

8. Receive and affix initial on the LARP and transmit to DCIR-RMG for signature.

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
RECEIVED

G. LEGAL SERVICE

1. Receive from PD a Memorandum for Affirmation and Designation of Legal Heirs.

2. Prepare and sign Affirmation and Designation of Legal Heirs and transmit to PD.

H. RESOURCE MANAGEMENT GROUP

1. Receive from HRDS and affix initial on the Approval of Application for Compulsory/Optional/Disability Retirement/Acceptance of Resignation/Permit to Transfer to Other Government Agency and forward to the Office of the CIR (OCIR) for signature.

2. Receive from HRDS and affix initial on the Application for Retirement Gratuity (Annex B) and forward to OCIR for signature.

3. Receive from HRDS and affix initial on the Memorandum for the GSIS re: Refund of Personal Retirement Premiums Paid With Interest and Government Share (Annex D) and forward to OCIR for signature.

4. Receive and sign LARP (DCIR) and transmit to PD.

I. COMMISSIONER OF INTERNAL REVENUE

1. Receive from RMG and Approve/Disapprove application of employees to retire (compulsory/optional/disability retirement) resign, permit to transfer to other government agency, including the filing of Certificate of Candidacy and return to PD.

2. Receive from RMG and Approve/Disapprove Application for Retirement Gratuity Claims (Annex B) and return to PD.

3. Receive from RMG and sign on the Memorandum for the GSIS re: Refund of Personal Retirement Premiums Paid With Interest and Government Share (Annex D) and return to PD.

VI. EFFECTIVITY

This Order shall take effect immediately and all other issuances inconsistent herewith are hereby repealed and amended.

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

P-1

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
JUN 30 2016
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