



DEPARTMENT OF
ENVIRONMENT AND
NATURAL RESOURCES

JAN 12 1990

DENR SPECIAL ORDER)
NO. 22 :
Series of 1990

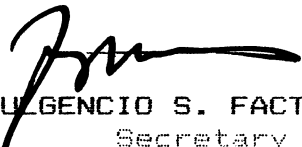
SUBJECT: Designating Ms. Carmen Borje as DENR Representative to the DENR and Bureau of Internal Revenue (BIR) Joint Special Action Committee.

In the interest of the service, and pursuant to the Memorandum of Agreement (MOA) dated 29 December 1989 between the DENR and BIR, Ms. Carmen Borje, Training Coordinator, this Department, is hereby designated as the DENR official representative to the Joint Special Action Committee created under said MOA.

AS DENR representative, Ms. Borje shall coordinate with her BIR counterparts in the performance of the duties/functions of the Joint Committee and may call on the assistance of any DENR official or employee in activities related thereto.

All expenses resulting from this Order are hereby authorized, subject to the usual accounting and auditing rules and regulations.

This Order shall take immediately.


FULGENCIO S. FACTORAN, JR.
Secretary

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This instrument executed by and between the **DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**, hereinafter referred to as the DENR, a government entity, with principal office at Visayas Avenue, Diliman, Quezon City, and herein represented by its Secretary, FULGENCIO S. FACTORAN, JR., and the **BUREAU OF INTERNAL REVENUE**, hereinafter referred to as the BIR, likewise a government entity, with principal office at Diliman, Quezon City, and herein represented by its Commissioner, JOSE ONG:

W I T N E S S E I H:

WHEREAS, the DENR is encountering difficulty in identifying timber concessionaires who are "farming out" their timber licenses and allowing others to operate their concession areas for and in consideration of royalties/fees in violation of forestry laws, rules and regulations;

WHEREAS, the best means of ferreting out the identities of these erring timber concessionaires is thru the examination of their income tax returns, tax payments, financial statement/records and books of accounts, all of which are required to be submitted to the BIR;

WHEREAS, the nonpayment by the illegitimate operators/contractors of timber concession areas result in losses to the BIR of revenues which would otherwise be paid by these operators/contractors in the form of forest charges, taxes, etc.;

NOW, THEREFORE, in view of the above considerations, it is hereby agreed and stipulated:

1. That the DENR and the BIR hereby create a Joint Special Action Committee composed of representatives of the DENR duly designated by the Secretary of DENR and representatives of the BIR duly designated by the Commissioner of Internal Revenue.

The senior representative of the BIR shall be the Chairman of the Committee.

2. That the Committee shall have the following duties/functions:

(a) Conduct field investigations to identify timber concessionaires who are "farming out" their timber licenses;

(b) Inspect and examine financial records (statements, tax returns and books of account, etc.) of timber concessionaires relative to their logging and other operations to the extent of the powers vested on them by law; and

(c) Issue the required processes to secure the production of relevant documents and exercise the visitorial powers vested both in the DENR and the BIR.

REPUBLIC OF THE PHILIPPINES)

S.S.

QUEZON CITY)

A C K N O W L E D G E M E N T

Before me this 29th day of December 1989 at Quezon City personally appeared FULGENCIO S. FACTORAN, JR. representing Department of Environment and Natural Resources with Residence Certificate No. 06330648 J issued at Quezon City on February 13, 1989 and JOSE U. ONG with Residence Certificate No. 00000015 issued at Manila. on January 9, 1989 acknowledged to me that they have executed the foregoing contract voluntarily and of their own free act and deed.

IN WITNESS THEREOF, they herein signed their names on all pages of this contract on the date and place mentioned above.

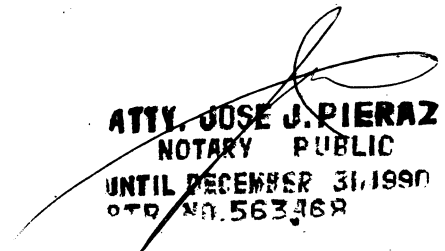
WITNESS my hand and seal on date and place aforesaid.

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ATTY. JOSE J. PIERAZ
NOTARY PUBLIC
UNTIL DECEMBER 31, 1990
OTD NO. 563468

3. The Committee shall submit reports to the DENR and the BIR after termination of such investigation.

4. The Committee shall be entitled to receive per diems, travelling expenses and honoraria chargeable against their respective offices, subject, however, to the usual accounting and auditing rules and regulations.

The DENR and BIR both recognize that the unauthorized use of timber licenses or permits results in the defraudation of the government in terms of loss of revenue and that this problem is a perennial one. Accordingly, they hereby agree to render mutual assistance as the need arises to prevent this anomalous practice.

IN WITNESS WHEREOF, the parties have hereunto affixed their signature this 29th day of December, 1989, at Quezon City.

DEPARTMENT OF ENVIRONMENT
AND NATURAL RESOURCES


BUREAU OF INTERNAL REVENUE

By:



FULENCIO S. FACTORAN, JR.
Secretary

By:



JOSE ONG
Commissioner

BUREAU OF INTERNAL REVENUE
RECORDS DIVISION

JUN 23 1989

R E C E I V E D