

MALACANANG  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 311

**CREATING A COMMITTEE TO EVALUATE THE PRESENT TAX SYSTEM, TO STUDY OTHER METHODS OF TAXATION AND TO RECOMMEND REVISIONS IN THE PRESENT SYSTEM OF TAXATION**

WHEREAS, there is a need to determine whether the existing systems of taxation are responsive to the requirements of government, taking into account the expenditures necessary for the accomplishment of its various programs that inure to the public welfare and its day-to-day expenses in delivering governmental services to the public;

WHEREAS, to improve the government's tax collection efforts it is necessary to increase the taxpayer base as well as simplify the types and manner of collecting taxes;

WHEREAS, the expansion of the taxpayer base and simplification of taxes may be greatly enhanced by a system of taxation that encourages voluntary compliance, and reduction of the internal revenue authorities' discretion to determine the amount of tax to be collected.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, hereby direct and order, as follows:

Section 1. *Creation of a Committee.* There is hereby created a Tax Reform Committee ("the Committee") composed of the Secretary of the Department of Finance (DOF), who shall act as its chairman, the Commissioner of the Bureau of Internal Revenue (BIR), the Executive Director of the National Tax Research Center (NTRC), and two representatives from the private sector who shall be invited by the Committee Chairman. The Committee Chairman shall also invite the Chairmen of the Ways and Means Committees of the Senate and of the House



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of Representatives who, upon their acceptance of the invitation, shall be a part of the Tax Reform Committee.

The Committee shall study possible changes to existing tax laws that will comply with the objectives of this Executive Order, and recommend the same for their passage into law.

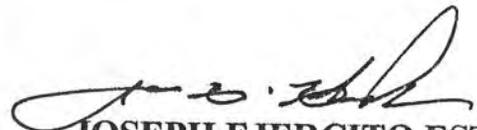
**Section 2. Consultation with Relevant Sectors; Creation of Sub-Committees.** In arriving at its recommendations, the Committee shall take all efforts to consult with those sectors of the public that will be affected by the proposed changes to the tax laws. To facilitate its work the Committee may create technical working committees, as well as a secretariat.

**Section 3. Committee Report.** Within ninety (90) days from the effectivity of this order, the Committee shall report to this Office and to the Ways and Means Committees of the Senate and of the House of Representatives the progress of its efforts, submitting, if possible, a draft of its recommended legislation.

**Section 4. Repealing Clause.** All executive orders, administrative orders, and other Executive issuances, including memorandum orders of the DOF, BIR and NTRC inconsistent herewith are hereby repealed, modified, or amended accordingly.

**Section 5. Effectivity Clause.** This Order shall take effect immediately.

DONE in the City of Manila, this 3<sup>rd</sup> day of NOVEMBER in the Year of Our Lord, Two Thousand.

  
JOSEPH EJERCITO ESTRADA

By the President:

  
RONALDO B. ZAMORA  
Executive Secretary

