

**MALACAÑANG**  
**Manila**  
**EXECUTIVE ORDER NO. 671**

**DESIGNATING APPROPRIATE GOVERNMENT AGENCIES TO BE THE ACCREDITING ENTITIES THAT WILL CERTIFY AND ACCREDIT CHARITABLE ORGANIZATION AS DONEE-INSTITUTIONS RELATIVE TO THE DEDUCTIBILITY OF CONTRIBUTIONS OR GIFTS RECEIVED BY THEM, IN RELATION TO SECTION 34 OF THE TAX REFORM ACT OF 1997**

**WHEREAS**, there is a need to strengthen the regulatory functions of government agencies over non-stock non-profit corporations, associations and non-government organizations which fall under its respective mandate;

**WHEREAS**, there is a need to rationalize fiscal incentives given to individuals, corporations and organizations as part of the government's fiscal reform;

**WHEREAS**, Section 34 (H) of the Tax Reform Act of 1997 provides for the deductibility of contributions or gifts made to donee institutions;

**WHEREAS**, the Secretary of Finance is required to promulgate and publish the necessary Rules and Regulations for the effective implementation of the Act;

**WHEREAS**, on December 8, 1998, the Department of Finance promulgated Revenue Regulation 13-98 implementing Section 34 (H) of the Act;

**WHEREAS**, the Department of Finance entered into a Memorandum of Agreement designating the Philippine Council for NGO Certification, Inc. a non-stock, non-profit corporation as Accrediting Entity for donee institutions;

**WHEREAS**, the designation of function to Philippine Council for NGO Certification (PCNC), which is a private body, may amount to an undue delegation of power;

**WHEREAS**, the President shall have control over all executive departments, bureaus and offices and shall ensure that the laws be faithfully executed;

**NOW, THEREFORE, I GLORIA MACAPAGAL-ARROYO**, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution do hereby order and direct the following:



**Section 1. Accrediting Entity** - The following Departments are hereby designated Accrediting Entities to determine the qualification of non-stock, non-profit corporations, non-governmental organizations, associations, and foundations for accreditation as qualified donee-institutions to wit:

- a. Department of Social Welfare and Development for charitable and/or social welfare organizations, foundations and associations including but not limited to those engaged in youth, child, women, family, disabled persons, older persons welfare and development;
- b. Department of Science and Technology – for organizations, associations and foundation primarily engaged in research and other Scientific activities
- c. Philippine Sports Commission - for organizations, foundations and associations primarily engaged in sports development
- d. National Council for Culture and Arts- for organizations, foundations and associations primarily engaged in cultural activities
- e. Commission on Higher Education – for organizations, foundations and association primarily engaged in educational activities

**Section 2.** The Accrediting Entities shall comply with the Standards and Guidelines set by the Department of Finance relative to accreditation of non-stock, non-profit corporations/NGOs as provided for in Revenue Regulation No. 13-98.

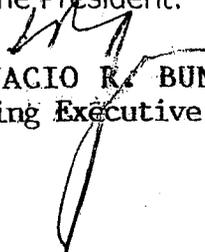
**Section 3. Repeal** - All executive and administrative issuances inconsistent with the provisions of the Order are hereby deemed repealed, amended or modified accordingly.

**Section 4. Separability** – If any portion of this Order is declared unconstitutional, the other provisions of this Order shall not be affected by this Order.

**Section 5. Effectivity** – This order shall take effect after fifteen (15) days from publication in a newspaper of general circulation.

Done on the City of Manila, this 22nd day of October in the year of Our Lord, Two Thousand and Seven.

By the President:

  
IGNACIO R. BUNYE  
Acting Executive Secretary

