



Republic of the Philippines  
**DEPARTMENT OF FINANCE**

Roxas Boulevard Corner Pablo Ocampo, Sr. Street  
Manila 1004

DEPARTMENT CIRCULAR NO. 003.2020

**SUBJECT : EXTENSION OF DEADLINES FOR THE PAYMENT OF TAXES, FEES AND CHARGES OF LOCAL GOVERNMENT UNITS (LGUs), PURSUANT TO SECTION 4 (TT) OF REPUBLIC ACT (RA) NO. 11494, OR THE "BAYANIHAN TO RECOVER AS ONE ACT"**

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**Section 1. Rationale.** This Department Circular is issued to provide the guidelines for the uniform implementation by the LGUs of Section 4 (tt) of RA No. 11494 on moving the statutory deadlines and timelines for the filing and submission of any document, the payment of taxes, fees, and other charges required by law, and the grant of any benefit, in order to ease the burden on individuals under community quarantine, due to the severe disruption of economic activities brought about by the Covid-19 pandemic, and to promote and protect the collective interests of all Filipinos in these challenging times.

**Section 2. Implementation.** This Department Circular shall be liberally construed to comply with Section 4 (tt) of RA No. 11494 pertinent to the following provisions thereof:

- 2.1 *Section 4 (p):* Ensure that all LGUs are acting within the letter and spirit of all rules, regulations and directives issued by the National Government;
- 2.2 *Section 15:* The law shall prevail in case the exercise of the powers granted therein conflicts with other statutes, orders, rules or regulations; and
- 2.3 *Section 18:* The law shall be in full force and effect until 19 December 2020.

**Section 3. Mandatory Extension of Deadlines for the Payment of Taxes, Fees and Charges Imposed and Collected by LGUs.** The payment of all local taxes, fees and charges with statutory deadlines, duly authorized and imposed by LGUs within their respective territorial jurisdictions, that fall on or after 14 September 2020 shall be extended until 19 December 2020. The counting of the period within which to pay local taxes, fees and charges shall likewise be

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suspended until 19 December 2020, including the period for the redemption of real properties sold or forfeited at public auction. In the event that an LGU had already extended the deadlines prior to the effectivity of RA No. 11494, such deadlines, if earlier than 19 December 2020, shall be deemed modified with the period set forth herein. Any further extension of deadlines beyond 19 December 2020 shall be authorized in accordance with the provisions of RA No. 7160.

**Section 4. Non-Application of Interest, Surcharge and Other Penalty on Local Tax Dues.** As a result of the moving of deadlines of payment and the suspension of the counting of the period within which to pay local taxes, fees and charges, no interest, surcharge or any form of penalty shall be applied on any local tax, fee or charge accruing on or due and demandable during the period provided in Section 3 hereof.

**Section 5. Treatment of Delinquencies in Local Taxes and Accrual of Interest, Surcharge and Other Penalty Prior to the Effectivity of the Law.** All local tax delinquencies prior to the effectivity of RA No. 11494 shall remain, and shall be due and demandable upon the expiration of the deadline set in Section 3 hereof. The applicable interests, penalties and surcharges shall begin to run again, if due and demandable, after the lapse of the effectivity of RA No. 11494.

**Section 6. Roles and Responsibilities.** All concerned shall be guided by the following directives relative to their mandated duties and functions:

- 6.1. Local treasurers, in coordination with other local officials, shall:
  - 6.1.1 Actively and widely inform taxpayers of the extension of deadlines of payment of local impositions through various platforms;
  - 6.1.2 Cause the reconfiguration of electronic information system used by the LGU concerned for the assessment and computation of such local taxes, fees and charges in order to comply with Sections 4, 5 and 6 hereof;
  - 6.1.3 Enable the use of electronic or non-face-to-face payment facilities so that taxpayers who opt to pay during the said period may be continuously accommodated by the LGU to ensure social/physical distancing;
  - 6.1.4 Consistent with RA No. 8792 or the Electronic Commerce Act of 2000, Joint Department Administrative Order No.





02, s. 2006<sup>1</sup> issued by the DOF and the Department of Trade and Industry, and Commission on Audit Circular No. 2013-07<sup>2</sup>, work on the immediate adoption of digital or electronic facilities for the assessment and collection of local taxes, fees and charges to ensure safe, convenient and efficient transaction with the local treasury office.

- 6.1.5 Defer activities related to or in pursuit of administrative or judicial action for the enforcement and/or collection of local taxes, fees or charges until the lapse of effectivity of RA No. 11494.
- 6.2 Local treasurers and assessors may carry on with their field work and other regular official functions and activities that are not inconsistent with or contrary to RA No. 11494 and the herein rules; *Provided*, that the minimum public health standards set by the Inter-Agency Task Force for the Management of Emerging Infectious Diseases, including the local ordinances enacted by the concerned Sanggunian for the purpose of mitigating the spread of Covid-19, are properly complied with by all concerned.
- 6.3 All local treasurers shall advise their respective local chief executives on matters concerning the grant of further incentives and/or privileges to taxpayers and business establishments, particularly those extending assistance and providing essential services for Covid-19 response, in accordance with the LGC and other applicable laws and policies; and
- 6.4 The Bureau of Local Government Finance (BLGF) shall monitor the compliance of all local treasurers, and provide the necessary technical assistance relative to the implementation of this Department Circular.

**Section 7. Repealing Clause.** All rules, regulations, orders, and/or circulars previously issued by the DOF that are contrary to or inconsistent herewith are hereby repealed or modified accordingly.

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<sup>1</sup> Guidelines Implementing RA No. 8792 on Electronic Payment and Collection System in Government


<sup>2</sup> Guidelines for the Use of Electronic Official Receipts to Acknowledge Collection of Income and Other Receipts of Government



**Section 8. Feedback.** For related queries or concerns, please contact the Local Fiscal Policy Service of the BLGF through *lfps@blgf.gov.ph*.

**Section 9. Effectivity.** This Department Circular shall take effect upon its filing with the Office of the National Administrative Register of the University of the Philippines Law Center.



  
**CARLOS G. DOMINGUEZ**  
Secretary  
OCT 23 2020