



Republic of the Philippines  
**DEPARTMENT OF FINANCE**

Roxas Boulevard Corner Pablo Ocampo, Sr. Street  
Manila 1004

DEPARTMENT CIRCULAR NO. 002.2020

**SUBJECT: EXTENSION OF DEADLINES FOR THE PAYMENT OF TAXES, FEES AND CHARGES OF LOCAL GOVERNMENT UNITS (LGUs), PURSUANT TO SECTION 4 (Z) OF REPUBLIC ACT NO. 11469, OTHERWISE KNOWN AS THE "BAYANIHAN TO HEAL AS ONE ACT"**

**Section 1. Rationale.** In view of the severe disruption of economic activities brought about by the coronavirus disease 2019 (COVID-19), and to promote and protect the collective interests of all Filipinos in these challenging times, it is imperative to, among other things, move 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, by the LGUs.

**Section 2. Purpose.** This Circular is issued for the uniform implementation of Section 4(z) of Republic Act (RA) No. 11469 by the LGUs, in line with the authority of the Secretary of Finance under Item D(4) of the Memorandum from the Executive Secretary, dated 28 March 2020, 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.

**Section 3. Implementation.** This Circular shall be liberally construed to comply with Section 4(z) of RA No. 11469 pertinent to the following provisions thereof:

- 3.1 Section 4(g): Ensure that all LGUs are acting within the letter and spirit of all rules, regulations and directives issued by the National Government;
- 3.2 Section 6(a): Impose penalties for disobeying national government policies or directives in imposing quarantines;

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3.3Section 7: The law shall prevail in case the exercise of the powers granted therein conflicts with other statutes, orders, rules or regulations; and

3.4Section 9: The law shall be effective only for three (3) months, unless extended by Congress, or when the powers granted therein are withdrawn sooner by means of a concurrent resolution of Congress or ended by Presidential Proclamation.

**Section 4. Mandatory Extension of Deadlines for the Payment of Taxes, Fees and Charges Imposed and Collected by LGUs.** The deadlines for the payment of all local taxes, fees and charges duly authorized and imposed by LGUs within their respective territorial jurisdictions as of 25 March 2020 shall be extended until 25 June 2020. Further, the counting of the period within which to pay local taxes, fees and charges shall likewise be suspended during the said period. In the event that an LGU had already extended the deadlines prior to the effectivity of RA No. 11469, such deadlines shall be deemed modified with the period set forth herein. Any further extension thereof shall be authorized in accordance with the provisions of RA No. 7160.

**Section 5. 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 4 hereof.

**Section 6. 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. 11469 shall remain, and shall be due and demandable following the expiration of the deadline set in Section 4 hereof. The applicable interests, penalties and surcharges shall begin to run again and shall be due and demandable after the lapse of the effectivity of RA No. 11469.

**Section 7. Roles and Responsibilities.** All concerned shall perform the following:

7.1. All local treasurers, in coordination with concerned local officials, shall:



- 7.1.1. Actively and widely inform taxpayers of the extension of deadlines of payment of local impositions through various platforms;
  - 7.1.2. 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; and
  - 7.1.3. Enable the use of electronic or non-face-to-face payment facilities so that any taxpayer who still opt to pay may be accommodated to ensure social/physical distancing.
- 7.2. In accordance with Section 4 hereof and until the resumption of normal office operations, all local treasurers and assessors shall defer the following:
- 7.2.1. Issuing written authority for the conduct of examination of books of accounts and pertinent records of businesses;
  - 7.2.2. Activities related to appraisal and assessment of real properties;
  - 7.2.3. Posting or publishing of notices of delinquencies, warrants of levy and advertisements for sale or auction; and
  - 7.2.4. Pursuing administrative or judicial action for the enforcement and/or collection of local taxes, fees or charges.
- 7.3. All local treasurers are encouraged to advise their respective local chief executives of the appropriate 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
- 7.4. The DOF, through the Bureau of Local Government Finance (BLGF) Central and Regional Offices, shall: (i) Monitor the compliance of all local treasurers and provide the necessary technical assistance therefor; and (ii) Coordinate with the Department of the Interior and Local Government relative to Item F(2) of the Memorandum from the Executive Secretary, dated 28 March 2020.

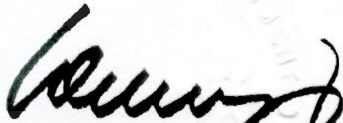
**Section 8. Repealing Clause.** All rules, regulations, orders, and/or circulars previously issued by the DOF that are contrary to or inconsistent herewith are hereby repealed or modified accordingly.





**Section 9. Feedback.** For related queries or concerns, please contact the Local Fiscal Policy Service of the BLGF through *lfps@blgf.gov.ph*.

**Section 10. Effectivity.** This Department Circular shall take effect immediately upon publication in a newspaper of general circulation or the Official Gazette and shall remain in effect until the state of public health emergency is lifted, subject to changes as may be instructed/issued by the Office of the President. The Office of the National Administrative Register of the University of the Philippines Law Center shall be provided three (3) certified copies of this Department Circular.

  
CARLOS G. DOMINGUEZ  
Secretary

APR 23 2020

