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TAX LAW FOR BUSINESS

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IF not because of our 44 fallen heroes, I will not be interested to read the proposed Bangsamoro Basic Law (BBL). I found the need to answer my qualms in allowing our government to give even one peso of the Filipino taxpayer's money to this effort for peace despite the unforgiving brutality that our policemen suffered from the hands of the people who will be given the power to spend it.

The Supreme Court once cited that during the height of the Muslim Empire, early Muslim jurists tended to see the world through a simple dichotomy: there was the dar-ul-Islam (the Abode of Islam) and dar-ul-harb (the Abode of War). The first referred to those lands where Islamic laws held sway, while the second denoted those lands where Muslims were persecuted or where Muslim laws were outlawed or ineffective. This way of viewing the world, however, became more complex through the centuries as the Islamic world became part of the international community of nations. (GR 183591).

The goal of the government in persisting to enact the BBL is to erase this dichotomy and to create lasting peace in Mindanao. In order to achieve this, the government is offering fiscal autonomy, among others, with the end goal of making the Bangsamoro self-

sufficient and not dependent to the National Government to provide for the needs of its people. But every Filipino should know the extent of the tax and fiscal autonomy that will be given to the Bangsamoro and ponder if they deserve it.

Under the BBL, the Bangsamoro Government will have its own version of the Bureau of Internal Revenue and consequently its own Commissioner of Internal Revenue who will be in charge of its tax collections. Also, in terms of what it may tax—aside from those that were granted previously to Autonomous Region in Muslim Mindanao (ARMM), the Bangsamoro Government can now collect capital gains tax, donor's tax, estate tax and documentary stamp tax on transactions within its territory. On top of that, they get a 75 percent share of all the other taxes that will be imposed by the national government. These national taxes include income taxes and value added tax.

Clearly, the role of the national government is now limited in assisting in the matter of tax administration. The power of the Commissioner of Internal Revenue will be greatly diminished since his powers are generally devolved to the Bangsamoro Government's version of him. The Bangsamoro Parliament may enact its own tax laws and regulations that may be completely different from the rest of the Philippines.

There is also an Annual Block Grant (ABG) mechanism. This refers to the automatic appropriation that will be released regularly to the Bangsamoro Government. Immediately following the year the draft BBL takes effect, the amount of the ABG shall be equivalent around to 4-percent of the net national internal revenue collection of the Bureau of Internal Revenue. This amounts to billions of pesos of government resources.

The Bangsamoro Government will receive additional funds for development projects and infrastructure projects in the first years of the Bangsamoro. A Special Development Fund (SDF) will also be established for the rehabilitation of the territories within the Bangsamoro. The Bangsamoro Transition Authority will also be funded to enable it to organize the bureaucracy, hire personnel and exercise its functions.

Based on the foregoing, the Bangsamoro will get funds from the National Government that will be culled out from every Filipino's tax contribution. It will also have a lion's share of the resources within its territory. The amount of funds that will be entrusted to its leaders will be enormous. These funds will give them power, lots of it.

Tax is the lifeblood of our nation. It is taken mostly from an ordinary working Filipino's sweat and blood. The one who will be given the power to spend it must be worthy...trustworthy.

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