



S E N A T E

P. S. Res. No. 1147

PREPARED BY THE COMMITTEE ON FOREIGN RELATIONS

RESOLUTION CONCURRING IN THE RATIFICATION
OF THE “CONVENTION ON MUTUAL
ADMINISTRATIVE ASSISTANCE IN TAX
MATTERS”

WHEREAS, Article VII, Section 21 of the Philippine Constitution states that, “No treaty or international agreement shall be valid and effective unless concurred in by at least two-thirds of all the Members of the Senate”;

WHEREAS, the Convention on Mutual Administrative Assistance in Tax Matters (Convention) was signed by the Philippines on 26 September 2014 in Paris, France;

WHEREAS, the Convention will enhance the treaty network of the Republic of the Philippines;

WHEREAS, the Convention will provide all possible forms of administrative cooperation between the Parties with respect to the assessment and collection of taxes, including service of documents and freezing of assets, with a view to combating tax avoidance and tax evasion;

WHEREAS, the President of the Philippines ratified the Convention on 2 October 2023 and has submitted it to the Senate for concurrence, in accordance with the Constitution of the Philippines;

WHEREAS, in the hearing conducted by the Senate Committee on Foreign Relations on 16 April 2024, the following government agencies endorsed the concurrence to the ratification of the Convention:

- 1) Department of Foreign Affairs;
- 2) Department of Finance;
- 3) Department of Justice;
- 4) Bureau of Internal Revenue;
- 5) Bangko Sentral ng Pilipinas;
- 6) National Privacy Commission:

Now, therefore, be it

1 *Resolved*, That the Senate of the Philippines concur
2 in the Philippine ratification of the Convention on Mutual
3 Administrative Assistance in Tax Matters, subject to the
4 following reservations and declarations:

5 In accordance with Article 30,
6 paragraph 1.a of the Convention, the
7 Republic of the Philippines reserves the
8 right not to provide any form of assistance in
9 relation to the taxes of other Parties in the
10 following categories listed in Article 2,
11 paragraph 1.b of the Convention:

12 i. Taxes on income, profits, capital
13 gains or net wealth which are
14 imposed on behalf of political
15 subdivisions or local authorities
16 of a Party;

17 ii. Compulsory social security
18 contributions payable to general
19 government or to social security

1 institutions established under
2 public law;

3 iii. Taxes in other categories, except
4 customs duties, imposed on
5 behalf of a Party, namely:

6 a. Taxes on immovable property;

7 b. Taxes on the use or ownership
8 of motor vehicles;

9 c. Taxes on the use or ownership
10 of movable property other
11 than motor vehicles; and

12 d. Any other taxes;

13 iv. Taxes in categories referred to in
14 sub-paragraph iii above which
15 are imposed on behalf of political
16 subdivisions or local authorities
17 of a Party.

18 In accordance with Article 30,
19 paragraph 1.b of the Convention, the right
20 not to provide assistance in the recovery of

1 any tax claim, or in the recovery of an
2 administrative fine, for all taxes listed in
3 Article 2, paragraph 1.

4 In accordance with Article 30,
5 paragraph 1.c of the Convention, the right
6 not to provide assistance in respect of any
7 tax claim, which is in existence at the date
8 of entry into force of the Convention in
9 respect of the Republic of the Philippines
10 or, where a reservation has previously
11 been made under subparagraph a or b of
12 Article 30, at the date of withdrawal of
13 such a reservation in relation to taxes in
14 the category in question.

15 In accordance with Article 30,
16 paragraph 1.d of the Convention, the right
17 not to provide assistance in the service of
18 documents for all taxes described in Article
19 2, paragraph 1.

1 In accordance with Article 30,
2 paragraph 1.e of the Convention, the right
3 not to permit the service of documents
4 through the post as provided in Article 17,
5 paragraph 3 for all taxes.

6 In accordance with Article 30,
7 paragraph 1.f of the Convention, the right
8 to apply paragraph 7 of Article 28
9 exclusively for administrative assistance
10 related to taxable periods beginning on or
11 after 01 January of the third year
12 preceding the one in which the
13 Convention, as amended by the 2010
14 Protocol, entered into force in respect of
15 the Republic of the Philippines, or where
16 there is no taxable period, for
17 administrative assistance related to
18 charges to tax arising on or after 01
19 January of the third year preceding the
20 one in which the Convention, as amended

1 by the 2010 Protocol, entered into force in
2 respect of the Republic of the Philippines.

3 Notifications:

4 Annex A – Existing taxes to which
5 the Convention shall apply:

6 Article 2, paragraph 1.a.i of the
7 Convention

8 Income Tax (Title II of the National
9 Internal Revenue Code [NIRC] of
10 1997, as amended)

11 Article 2, paragraph 1.b.iii.A of the
12 Convention

13 Estate and Donor's Taxes (Title III of
14 the NIRC)

15 Article 2, paragraph 1.b.iii.C of the
16 Convention

17 Valued Added Tax (Title IV of the
18 NIRC)

19 Article 2, paragraph 1.b.iii.D of the
20 Convention

Excise Taxes (Title VI of the NIRC)

Annex B – Competent Authority:

Pursuant to Article 3,
paragraph 1.d of the Convention, the
Government of the Republic of the
Philippines declares that “competent
authority” means the Secretary of
Finance or his authorized
representative.

Annex C – Definition of National:

In relation to the Republic of
the Philippines, the term “national”
means any individual possessing the
nationality or citizenship of the
Republic of the Philippines; and any
legal person, company, partnership or
association deriving its status as such
from the laws in force in the Republic
of the Philippines.

1 *Resolved, finally,* That the President of the
2 Philippines may, with the concurrence of the Senate,
3 withdraw from the Convention.

Adopted,