



REPUBLIC OF THE PHILIPPINES

# DEPARTMENT OF AGRARIAN REFORM

Tunay na Pagbabago sa Repormang Agraryo

## MEMORANDUM CIRCULAR

No. **06**

**TO : ALL OFFICIALS AND EMPLOYEES**  
**FROM : THE SECRETARY**  
**SUBJECT : GUIDELINES GOVERNING THE SUBMISSION AND FILING OF STATEMENT OF ASSETS, LIABILITIES AND NETWORTH (SALN)**  
**DATE : 03 OCTOBER 2022**

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The purpose of this Circular is to provide guidelines and compliance procedures in the filing and submission of the Statement of Assets, Liabilities, and Net Worth and harmonize various issuance related thereto.

### RULE I. INTRODUCTION

SALN stands for Statement of Assets, Liabilities, and Net Worth. It is a declaration of assets (i.e., land, vehicles, etc.) and liabilities (i.e., loans, debts, etc.), including business and financial interests, of an official/employee, of his or her spouse, and of his or her unmarried children under 18 years of living in their parent's households.

Officials and Employees have the obligation to accomplish and submit declaration under oath of, and the public has right to know, the assets, liabilities, and net worth and financial business interests including those of their spouses and of unmarried children under eighteen (18) years of age living in their household.

The submission of SALN is required by law under the 1987 Philippines Constitution, Article XI, Section 17, and Republic Act No. 6713 "Code of Conduct and Ethical Standards for Public Officials and Employees". It includes a waiver authorizing the Ombudsman or his authorized representative to attain documents that may show assets, liabilities, and net worth, business interests, and financial connection, from all appropriate government agencies. Section 8, and Civil Service Memorandum Circular No. 2 series of 2013.

Civil Service Memorandum Circular No. 2 series of 2013, "*Revised SALN Form*" and CSC MC. 19, Series of 2011 "*Use of Revised SALN*" provide that all public officers and employees must submit their SALN and to use the Revised SALN Form.

### RULE II. OBJECTIVES

The objectives in filing and submission of SALN are as follows:

1. To enjoin all officials and employees of the Department to declare and submit annual true, detailed and sworn statement of their assets, liabilities and net worth, including, disclosure, of business interests financial connections, relatives in the government service, amount and sources of income, amount of personal and family expenses, and amount of income taxes paid for the preceding calendar year.
2. To ensure that assets, liabilities, net worth, financial connections and business interests, of the declarant's, spouse and unmarried children below eighteen (18) years of age living in declarant's household are also disclosed; and
3. To allow the declarant and his/her spouse who is also employed in the government, to choose whether to file their SALN jointly or separately.

### **RULE III. COVERAGE**

1. **Who are required to file:** All officials and employees of the Department of Agrarian Reform have an obligation to accomplish and submit their Statement of Assets, Liabilities and Net Worth (SALN) and a Disclosure of Business Interests and Financial Connections of their spouses and unmarried children under eighteen (18) years of age living in their household, except those serving in honorary capacity, laborers, and casual or temporary workers. However, those holding career positions under temporary status are required to file their SALN.
2. **When to file:**
  - 2.1 **NEW ENTRANT FILING:** Due within 30 calendar days from assumptions to office; information must be as of declarant's first day of service.
  - 2.2 **ANNUAL FILING:** Due not later than April 30 of every year, information as of December 31 of the reporting period.
  - 2.3 **SEPARATION:** Due within thirty (30) days after separation from government service.

### **RULE IV. RULES IN ACCOMPLISHING THE SALN FORM**

1. All DAR officials and employees shall use the prescribed SALN Form that was revised as of January 2015 per CSC Resolution No. 1500088 promulgated on January 23, 2015 available at the Personnel Division/Section or downloadable from CSC website ([www.csc.gov.ph](http://www.csc.gov.ph))
2. Contents of the SALN Form
  - 2.1. Basic Information
    - 2.1.1. Spouses who are both public officers and employees shall have the option to file their SALN either jointly or separately.



- 2.1.2. In case the declarant is single or married but whose spouse is not in the government service, he/she shall tick off the box mark as "Not Applicable".
- 2.1.3. In case joint filling, all real and personal properties shall be declared including their respective paraphernal and capital property, if there are any.
- 2.1.4. The change of civil status of the declarant after December 31 of the preceding year shall not affect the nature of the properties declared.

## 2.2. Assets Liabilities and Net Worth

The SALN shall contain a true and complete declaration of assets, liabilities and net worth, including a disclosure of business interest and financial connections of the declarant, his/her spouse and also contain a disclosure of the declarant's relatives within the fourth degree of consanguinity and affinity who are in government service.

### 2.1.1. Assets

-include those within or outside the Philippines, whether real or personal, whether used in trade or business.

-refer to declarant's real and personal properties, including those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.

#### a. *Real Properties*

Refer to properties which are immovable by nature. For purposes of SALN, real properties are classified according to their use that is residential, commercial, agricultural, industrial, or mixed use and the like.

Declaration of real properties shall include its description, kind, exact location assessed value, current fair market value, date and mode of acquisition and acquisition cost.

The declarant shall indicate a description of the real properties, whether it is a land only or land with building, a house and lot, condominium unit, or an improvement such as an extension of garage, and the like.

Assessed value shall, for purposes of declaration in the SALN, refer to the amount indicated in the tax declaration of the real properties involved.

Current Fair Market Value refers to the amount indicated as market value in tax declaration of the real properties concerned.

Improvements refer to all works that are constructed or introduced to the land, or repairs or improvements made to the land or building after its initial acquisition.

In declaring an improvement to the land, the declarant may opt to declare it separately or together with the land to which such improvement is attached.

Acquisition cost is the amount of money paid to acquire or own something. This shall also refer to the amount of expenses incurred for improvements introduced on a real property. For purposes of computing the declarant's net worth, the acquisition cost shall be made as the basis thereof.

The declarant of Personal Properties shall indicate those real properties which are already titled or registered under his/her name, the name of his/her spouse or under the name of his/her unmarried children below 18 years of age and living in the declarant's household. Real properties already covered by a deed of sale, inherited or subject of an extrajudicial settlement of estate but not yet titled under declarant's name shall also be disclosed

In the case of properties received gratuitously, e.g. donation or inheritance, no acquisition cost shall be declared. However, the current fair market value and the assessed value of said properties as found in the tax declaration thereof must be declared.

*b. Personal Properties*

Declaration of personal properties shall include description, year acquired and acquisition cost/amount.

Personal properties refer to jewelry, appliances, furniture, motor vehicles and other tangible/movable properties. This shall also include investments or other assets, such as cash on hand or in bank, negotiable instruments, securities, stocks, bonds, and the like.

Personal properties collectively acquired or are of minimal value may be declared generally or collectively. In which case, the declarant may write/indicate "various years" under the column for Year Acquired.

Personal properties, such as cash on hand and in bank, as well as stocks and the like, denominated in foreign currency shall be converted into the corresponding Philippine currency equivalent, at the rate of exchange prevailing as of December 31 of the preceding calendar year.

The amount of money/cash in bank to be declared should be the last balance as of December 31 of the preceding year.



In case of properties which are co-owned with other individuals, the declarant shall disclose the proportionate amount of his share in the property.

With regard to properties subject of a contract to sell, the amount already paid shall be declared as personal property.

Properties which are subject of either a chattel or real estate mortgage shall be declared in the SALN Form. The acquisition cost to be declared shall be the actual purchase price, and the liability to be declared shall be the outstanding balance of the loan as of December 31 of the preceding year.

#### 2.1.2. Liabilities

Under the liabilities, the nature, name of creditors, and the outstanding balance shall be indicated. The outstanding balance shall refer to the amount of money that is still due as of December 31 of the preceding calendar year.

Liability refers to financial liability or anything that can result to a transfer or disposal of an asset. It includes not only those incurred by the declarant but also those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.

Nature of liability refers to the type of loan obtained from banks, financial Institutions, GSIS, PAG-IBIG and other such as such as personal, multi-purpose, salary, calamity loan and the like.

Outstanding balance refers to the amount of money that one still owes on the loan as of December 31 of the preceding calendar year.

#### 2.1.3. Net Worth

Net worth is the sum of all assets (real and personal) less total liabilities.

In the case of real properties, the acquisition cost shall be used in the computation of the net worth.

In the case of personal properties, the acquisition cost or amount/value of money shall be used in the computation of the total net worth.

Excluded from the computation of real and personal properties are the properties of unmarried children below 18 years of age living in the declarant's household.

If the spouse of the declarant is not a public officer or employee, the latter's paraphernal or capital properties shall not be included in the computation of the declarant's net worth.

Community property refers to all the properties owned by the spouses at the time of the celebration of the marriage or acquired thereafter, subject to the exceptions provided for by law (Articles 91, Family Code of the Philippines).

In the absence of any marriage settlement, the property relations of the spouses shall be governed by the rules on absolute community of property under the Code of the Philippines.

Conjugal property refer to all properties acquired during the marriage, whether the acquisition appears to have been made, contracted or registered in the name of one or both spouses, unless proven to be excluded under (Article 116 of the Family Code of the Philippines). This applies when the spouses agreed to be governed by the rules on the conjugal partnership of gains under the Family Code.

If the spouse of the declarant is a public officer or employee, but who chose to separately file his/her SALN, his/her paraphernal or capital properties shall not be included in the computation of the declarant's net worth.

In case of joint filing, the total assets of the spouses shall include their respective paraphernal or capital properties.

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The following are excluded from the community property:

- Property acquired during the marriage by gratuitous title by either spouse, and the fruits as well as the income thereof, if any, unless it is expressly provided by the donor, testator or grantor that they shall form part of the community property.
- Property for personal and exclusive use of either spouse. However, jewelry shall form part of the community property.
- Property acquired before the marriage by either spouse who has legitimate descendants by a former marriage and the fruits as the income, if any, of such property.

The following are conjugal properties:

- Those acquired by onerous title during the marriage at the expense of the common fund, whether the acquisition e for the partnership, or for only one of the spouses.
- Those obtained from the labor, industry, work, or profession of either or both of the spouses.
- The fruits, natural, industrial, or civil, due or received during the marriage from the common property, as well as the net fruits from the exclusive property of each spouse.
- The share of either spouse in the hidden treasure which the law awards to the finder or owner of the property where the treasure is found.
- Those acquired through occupation such as fishing or hunting.
- Livestock existing upon the dissolution of the partnership more than the number of each kind brought to the marriage by either spouse.
- Those which are acquired by chance, such as winnings from gambling or betting. However, losses therefrom shall be borne exclusively by the loser-spouse.



In case of joint filing, the declarant's total net worth and that of his/her spouse shall be the difference between the total assets (real and personal properties) less the total liabilities.

Paraphernal property refers to the properties exclusively owned by the wife.

Capital property refers to the properties exclusively owned by the husband.

#### 2.1.4. Business Interests/Financial Connections

The declarant including that of his/her spouse and unmarried children below eighteen (18) years of age living in declarant's household, shall declare their existing interest or connection in any business enterprise or entity, aside from income from government. They shall also indicate the business address, nature of business interest and/or financial connection, and date of acquisition of interest or connection.

Business interest refer to declarant's existing interest in any business enterprise or entity, aside from his/her income from government which shall also include those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.

Financial Connections refer to declarant's existing interest in any business enterprise or entity, aside from his/her income from government, which shall also include those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.

Nature of business interest and/or financial connection refers to existing interest or connection in any business enterprise, whether as proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, lawyer, legal consultant or adviser, financial or business consultant, and the like.

In case there are no existing business interests and financial connections in any business enterprise or entity, the declarant shall tick off the appropriate box in the form.

#### 2.1.5. Relatives in the Government

The declarant shall disclose his/her relatives in the government with 4th civil degree of relationship, either by consanguinity or affinity. The disclosure shall also state his/her relationship with the relative, the position of the relative as well as the name of office/agency and address.

In case the declarant and his/her spouse jointly file their SALN, they shall indicate all their relatives within the fourth civil degree, either by consanguinity or affinity, and shall include the above-mentioned information.

In case the declarant has no relatives in the government within the 4th civil degree of relationship, either by consanguinity or affinity, including "bilas", "inso" and "balae", the declarant shall tick off the appropriate box in the form.

Affinity refer to the relationship of a husband to the blood relatives of his wife, or a wife to the blood relatives of her husband.

Consanguinity refers to the relationship by blood from the same stock or common ancestor.

Relative in the government refer to the declarant's relatives up to the 4th civil degree of relationship, either by consanguinity or affinity, including 'bilas', 'inso', and 'balae'.

Relatives in the first degree of consanguinity include the declarant's father, mother, son, and daughter. Relatives in the first degree of affinity include the declarant's father-in-law and mother-in-law.

Relatives in the second degree of consanguinity include the declarant's brother, sister, grandmother, grandfather, grandson, and granddaughter. Relatives in the second degree of affinity include the declarant's brother-in-law, sister-in-law, grandmother-in-law, grandfather-in-law, granddaughter-in-law, and grandson-in-law.

Relatives in the third degree of consanguinity include the declarant's nephew, niece, uncle and aunt. Relatives in the third degree of affinity include declarant's nephew-in-law, niece-in-law, uncle-in-law, auntie in-law.

Relatives in the fourth degree of consanguinity include the declarant's first cousin.

#### 2.1.6. Certification and Signature

Declaration should be true and correct statements.

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Bilas refers to a declarant's brother-in-law's wife or sister-in-law's husband.

\*Inso refers to the appellation for the wife of an elder brother or male cousin.

\*Balae refers to a parent of the declarant's son-in-law or daughter-in-law.



Identification of the relatives is only to the best of declarant's knowledge

Both spouses should sign whether in the government or private sector.

If signature cannot be acquired, an explanation should be attached.

#### 2.1.7. Who can administer Oath?

The heads of agencies.

Those authorized by the head of agency to administer oath.

Those authorized by law to administer oath, i.e., notaries public

#### 2.1.8. Other Matters

To prevent unauthorized insertions or pulling out of pages, pagination shall read as Page 1 of number of pages, Page 2 of number of pages, and so on.

The declarant is strictly required to fill all applicable information in the SALN form. Otherwise, such items should be marked with "N/A" or "not applicable".

In case of joint filing, the declarant and his/her spouse shall sign in the spaces provided for just below the certification.

If the spouse is not a public officer or employee, the declarant shall still cause him/her to sign the SALN.

Filling up of the form may be handwritten, computerized or typewritten provided the signature of the declarant is original. The declarant is required to write legibly if he chose to fill up the form by handwriting.

The original and duplicate copies of the accomplished Sworn Statement of Assets, Liabilities and Net Worth must be submitted to the Personnel Division/Personnel Section not later than April 30.

The Chief Administrative Officer/Regional/Provincial Chief Administrative Officer of the Personnel Division DARCO/Regional/Provincial Office must then submit on or before June 30 of every year, all original copies of the Sworn Statement of Assets, Liabilities, and Net Worth they received arranged alphabetically and bound with covering list of filers in alphabetical order to the Office for central Personnel Records of Civil Service Commission.

## **RULE V. PROCEDURES**

1. Filers shall use the revised SALN Form downloadable from the CSC website ([www.csc.gov.ph](http://www.csc.gov.ph)) guidelines are likewise available from the website to aid officials and employees in accomplishing the form.
2. All DAR officials and employees shall properly accomplished 2015 Revised SALN Form and submit to the Personnel Division/Personnel Section on or before April 30, 2020 and every year thereafter.
3. The Accounting Division/Unit shall issue BIR Form No. 2316 to aid the officials and employees in the preparation of their SALN.
4. All DARCO employees who are reassigned/detailed to other offices are required to submit their SALN to the Personnel Division, DAR Central Office, for proper compliance.
5. All reassigned/detailed employees to the Central Office are required to submit their respective SALN's to their mother units, copy furnished the DARCO Personnel Division for their 201 files.

## **RULE VI. ACCESS TO SALN FILED**

1. The SALN Committee in the DAR Central, Regional, and Provincial has the authority to access SALN filed for purposes of review as to completeness, submitted on time, accuracy, and in proper form.
2. Whenever a third-party request for a copy of SALN Form of a declarant, the same may be accorded due course provided it is covered by a written request specifying therein the intent or purpose in securing copy thereof The letter request must be approved by administering official or the Undersecretary for FMAO, as may be applicable.
3. Whenever a third-party request for a copy of filed SALN form is intended for research and study purposes, the name and address of the declarant must be shaded.
4. Any unauthorized reproduction or distribution of the SALN of a declarant, after due process, is punishable under existing rules and regulations.

## **RULE VII. TRANSPARENCY OF TRANSACTION AND ACCESS TO INFORMATION**

The DAR adopts and implements a policy of full public disclosure of the Sworn Statements of Assets, Liabilities and Net Worth, subject to reasonable conditions prescribed by law and align with Section 8(c) of Republic Act No. 6713 which provides, among others, the following:

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CSC MC No. 9, s. 2020 "All public officials and employees are given additional period of sixty (60) days from April 30, 2020, the last day of filing of the SALN for the year 2019 pursuant to Section 8 of Republic Act No. 6713(Code of Conduct and Ethical Standards of Public Officials and Employees) or until June 30, 2020, to file their SALN Forms with their respective agencies, unless the circumstances require otherwise. Those filing their SALN Forms between the period after April 30, 2020 and June 30, 2020 shall not be subject to any administrative case relating to the non-filing of the SALN Form. **However, those not filing their SALN Forms shall still be liable if they fail to file the same by June 20, 2020.**



(1) Any and all statements filed under this Act, shall be made available for Inspection at reasonable hours.

(2) Such statements shall be made available for copying or reproduction after the ten (10) working days from the time they are filed as required by law.

(3) Any person requesting a copy of statement shall be required to pay a reasonable fee to cover the cost of reproduction and mailing of such statement, as well as the cost of certification.

(4) Any statement filed under this Act shall be available to the public for a period of ten (10) years after receipt of the statement. After such period, the statement may be destroyed unless needed in an ongoing investigation.

#### **RULE VIII. REVIEW AND COMPLIANCE COMMITTEE**

To properly effectuate and maintain a standard review and compliance procedure for the review of SALN, a Review and Compliance Committee for the SALN shall be created in compliance with CSC Resolution No. 1300455 dated March 4, 2013. The Review and Compliance Committee shall be composed of one (1) Chairperson and two (2) Members. The Committee shall be designated and authorized by the head of agency to receive the SALN and to evaluate if the same has been submitted on time, complete and in proper form. The Review and Compliance Committee shall prepare a list of the following employees in alphabetical order, to the head of agency.

- a. Those who filed their SALNS with complete data.
- b. Those who filed their SALNS but with incomplete data; and
- c. Those who did not file their SALN.

#### **RULE IX. TRANSMITTAL OF ALL SUBMITTED SALNs**

Transmittal of all submitted SALN's to the appropriate repository agency on or before October 31, 2020.

The Chief/Head of the Personnel/Administrative Division or Unit/Human Resource Management Office (HRMO) shall transmit all original copies of the SALN's received on or before June 30 of every year to the concerned offices, as specified below:

<b>REPOSITORY AGENCY</b>	<b>OFFICERS AND EMPLOYEES</b>
Office of the President	National executive officials, including but not limited to the following:

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CSC Resolution No. 2000603 dated June 22, 2020, For CY 2019 SALN, the last day of submission of SALN Forms by the employees with their respective departments, agencies, offices, is on August 31, 2020 while the last day of submission of all departments, agencies and offices to the appropriate repository agencies is extended to October 31, 2020.

	<ul style="list-style-type: none"> <li>- Members of the Cabinet</li> <li>- Undersecretaries.</li> <li>- Assistant Secretaries. Officials in the Foreign Service, and</li> <li>- Heads of government owned or controlled corporations with original charters and their subsidiaries and</li> <li>- Heads of state colleges and universities</li> </ul>
Deputy Ombudsman in their respective region (Luzon, Visayas, or Mindanao)	<p>Regional officials and employees of following offices:</p> <ul style="list-style-type: none"> <li>- Departments, bureaus, and agencies of the National Government</li> <li>- Judiciary and Constitutional Commissions and offices</li> <li>- Government owned and/or controlled corporations with and without original charter, and their subsidiaries in the regions</li> <li>- State colleges and universities</li> <li>- Etc.</li> </ul>
Civil Service Commission	<p>All other officials and employees in the central/main/national offices of the following:</p> <ul style="list-style-type: none"> <li>- Departments, bureaus and agencies of the National Government</li> <li>- Judiciary and Constitutional Commissions and offices</li> <li>- Government owned and/or controlled corporations with and without original charters, and their subsidiaries in the regions</li> </ul> <p>All other appointive officials and employees of the Legislature Etc.</p>

## **RULE X. SANCTION**

Within five (5) days from receipt of the list mentioned in Rule VIII, it shall be the ministerial duty of the Head of Office to issue an order requiring those who have incomplete data in their SALN to correct/supply the desired information and those.



who did not file /submit their SALNs to comply within a non-extendible period of thirty (30) days from receipt of the said Order.

The Head of Office shall issue a show-cause order directing the official or employee concerned to submit his/her comment or counter-affidavit, and if the evidence so warrants, proceedings pursuant with Rule X Administrative Offenses and Penalties, Section 50, Item D.8. of the 2017 Rules on Administrative Cases in the Civil Service (2017 RACCS) CSC Resolution No. 1701077 promulgated July 3, 2017 shall be applied. The penalty are as follows:

1<sup>st</sup> Offense-Suspension of one (1) month and one (1) day to six (6) months

2<sup>nd</sup> Offense - Dismissal from the service


Officials and employees who fail to comply within the thirty (30) day period or who submit their SALNS beyond the said period shall be considered as not having filed their SALNS, and shall be made liable to the offense of Failure to File SALN with the imposition of penalties prescribed.

Heads of agencies/offices who fail to comply with the provisions of CSC Resolution No. 06-231 dated February 11, 2006, as amended, shall be liable for Simple Neglect of Duty, which shall be punishable by suspension of one (1) month and one (1) day to six (6) months for the first offense and dismissal from the service for the second offense.

## **REPEALING CLAUSE/EFFECTIVITY**

The foregoing guidelines shall be subject to changes in case of any further issuances by appropriate authorities, department and/or oversight agencies/regulatory bodies.

This Circular shall be effective immediately.

  
**CONRADO M. ESTRELLA III**  
Secretary

**Department of Agrarian Reform**

Office of the Secretary



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