

Mobilizing Public School Teachers and Officials for Tax Administration



IMPROVING REAL PROPERTY TAX SYSTEM PERFORMANCE

Notes 5

Local Finance



A successful mobilization of public school teachers and school officials in educating taxpayers can spell the difference between low and high tax collection efficiency.

Educating Real Property Taxpayers

Most local officials and the public in general think that real property tax administration is the sole responsibility of provincial and municipal assessors and treasurers. Even local assessors and treasurers think that way, too. It is not surprising, therefore, that very few local officials ventured into involving other sectors to increase tax collection. Development-oriented, progressive-minded local chief executives (LCE), however, believe that a currently untapped sector that can truly assist in a significant way in improving tax administration is the education sector, particularly teachers and school officials.

It is not so evident to tax administrators that a successful mobilization of the education sector can spell the difference between low and high tax collection efficiency. However, the frequently asked question is “Why involve teachers and school officials in the collection of taxes?” For one, public schools receive the proceeds of the one percent Special Education Fund (SEF). The SEF money that goes to public schools is, in fact, even greater than the amount that goes to individual provinces and municipalities that collect the tax. Therefore, there is every reason for public school officials and teachers, as major stakeholders, to help in intensifying tax collection. The next question is “How do you involve them, and what can they do?” The answer is simple. You involve them in things they do best—educating the real property taxpayers.

As this *Local Governance Technical Notes* will show, local governments units (LGU) are now reaping the fruits of a strong cooperative undertaking with the education sector in terms of higher tax collections.

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Technology

Participatory Workshop on Real Property Taxation for Teachers and School Officials

Mobilizing teachers and school officials to assist in real property tax (RPT) collection is an innovative way of improving RPT administration. It would not be easy, however, to convince them to participate in tax-collection-related activities principally because of their heavy workload as teachers. A formula that worked well in GOLD real property tax system (RPTS) pilot LGUs is to conduct a participatory workshop on real property taxation for teachers and school officials using the Technology of Participation (ToP) as facilitation method. This is how it is done:

1. Orient teachers and school officials by discussing the nature of RPT and the intricacies of administering it: legal basis, tax rate and base, valuation and assessment, collection enforcement, and distribution of proceeds. Emphasize the magnitude of the SEF tax that goes into the local school boards budget and compare it with the amount that goes into the

general fund of individual municipalities and the province.

2. Present the following information taken from the two-day participatory workshop on real property taxation for barangay officials: collection efficiency of each barangay, and problems and proposed measures to increase collection. The results of the multi-sectoral consensus-building workshop (CBW) can also be discussed briefly.

3. After the participants are sensitized, ask them to give ideas on strategies and practical measures that teachers and school officials can un-

dertake to help LGU officials intensify tax collection. These ideas are processed and clustered to arrive at a consensus on concerted actions.

4. Formulate an action plan, and ask for their commitment. At the end of the workshop, participants will prepare an action plan on the prioritized strategic, practical measures previously identified. The Department of Education, Culture, and Sports (DECS) District Supervisor and/or the school principals shall lead the pledge of commitment to implement the action plans formulated.



Process Flow of a Participatory Workshop on Real Property Taxation for Teachers and School Officials.

Post-Workshop Activities

The first post-workshop activity is a meeting of LGU and DECS officials to refine the action plans, provide more details, and confirm the schedule of succeeding activities. The next major post-workshop activity will depend on agreements reached during the meeting. A possible action would be to conduct a writeshop on curriculum development to integrate topics on real property taxation in the social studies subject in the elementary and secondary level. The writeshop teacher-participants shall formulate the specific lesson objectives and the corresponding lesson plans for each level or grade/year. The implementation of lesson plans should be monitored and reviewed annually by LGU and DECS officials.

Another activity identified by workshop participants that teachers can

productively undertake is the conduct of tax information and education campaigns. The involvement of teachers can be done in several ways. One is to conduct jingle- or poster-making contests financed by the local school board that highlights the creativity of elementary and high school students. LGU officials can use the winning entries in the printing of tax information campaign materials. Another possible activity is to celebrate tax consciousness week to recognize model taxpayers. Discussing the real property tax obligations of parents and teachers during the Parents Teachers Community Association (PTCA) meetings and home visitations is also another way. Teachers could also be requested to deliver notices of tax collections and delinquencies.

"You are about to undergo a new kind of seminar workshop. The first of its kind in Capiz and, maybe, in the whole country. This will serve as an experiment to determine if some strategies in real property tax collection can be coured through the educational system. As recipient of the Special Education Fund, it is just natural and proper that you endeavor to help because the more taxes we collect, the more projects we can implement and more problems we can solve for the benefit of the next generation."

— Opening remarks of Hon. Victor A. Tanco, Vice-Governor of Capiz Province, during the Participatory Workshop for Teachers on Real Property Taxation, December 12, 1997.



Policy and Practice

Enabling Framework

Section 200, Chapter 2, Title Two, Book II of Republic Act 7160, the Local Government Code, states that provinces and cities shall be primarily responsible for the proper, efficient, and effective administration of the real property tax. However, municipalities actually make the real property assessment and tax collection. Section 217 provides that the one percent basic real property tax imposed by the province shall be divided among the province (35 percent), municipalities (40 percent) and barangays (25 percent). The one-percent Special Education Fund tax shall be automatically released to local school boards for: the operation and maintenance of pub-

lic schools; construction and repair of school buildings, facilities, and equipment; educational research; purchase of books and periodicals; and sports development (Sec. 272, LGC).

The above provisions clearly indicate that the cost of tax administration is borne by LGUs while the local school boards do not spend a single centavo to receive their corresponding share of the tax. It is also to be noted that the budget of the school board is not subject to the approval of either the Sangguniang Bayan or Panlalawigan. While no specific provision in the Code mandates that the school board, teachers, and school officials assist in the collection of the real

property tax, it is to their best interest to participate in enhancing tax administration.

While involving teachers is a brilliant idea, it is good to note that they also perform other jobs aside from teaching, counseling, and administrative school-related work. They also perform national government mandated jobs such as Commission on Elections deputies and undertaking the census for the National Statistics Office. This is why some teachers and DECS officials initially complain that their participation in tax collection may just be another additional burden to their heavy workload.

Practices That Are Working

The Province of Nueva Vizcaya showed how to mobilize teachers. First, provincial officials invited the Assistant Division Superintendent of the DECS provincial office to attend the CBW to strategize how to improve the RPT collection in the Province. During the workshop, the DECS official realized the importance of real property tax especially to public schools constantly plagued by lack of classrooms and teachers, and the significant role that schools can play in improving tax administration.

Emboldened by the strong positive feedback, the Province immediately organized a series of one-day participatory workshops for teachers and school officials in six municipalities. Participants were apprised about the nature of the RPT, how it is assessed and collected, and where the taxes go. After discussing the RPT revenue performance of the province and its component municipalities and the problems and bottlenecks in tax collection, participants were asked to identify strategies and practical measures they can do to help LGU officials improve tax collection. Aside from appreciating what they learned

about real property taxation, teacher-participants realized there was something they could do to raise the level of tax consciousness of Filipinos who are not known for paying their taxes promptly. Some activities they committed to undertake were: identification of taxpaying parents; integration of real property taxation subject in all levels; intensification of school level tax information campaign during Parents, Teachers, and Community (PTCA) meetings; home visitations; search for outstanding taxpayers; and jingle-and poster-making contests.

The Province also conducted a workshop for teachers and DECS officials to develop a curriculum that integrates real property taxation into the social studies subject of elementary and high school students. Introducing taxation subjects in public elementary and secondary schools would, in the long run, produce law-abiding citizens and future good taxpayers. Students could also influence their parents to comply with their tax obligations by paying their taxes promptly.



The Province of Nueva Vizcaya conducted a workshop for teachers and DECS officials to develop a curriculum that integrates real property taxation into the social studies subject of elementary and high school students.



LGU Action Agenda

Other Initiatives

The Province of Negros Oriental conducted a multisectoral consensus-building workshop to thresh out problems and formulate solutions in their real property tax administration. The Province conducted one-day participatory workshops for teachers and school officials in all the 22 component municipalities with minimal GOLD assistance. The common question of teacher-participants was "Why only now?" The participants' enthusiasm was boosted by knowing that such activity is finally being undertaken.

The Province also conducted a writeshop on curriculum development to integrate the real property taxation subject in the primary and secondary levels. LGU and DECS officials pledged to start implementing the workshop results in school year 2000-2001. Governor George Arnaiz was so pleased with the resulting collection performance of the Province that he promised to use any increase in RPT collection for the salary of additional teachers. The DECS officials and teachers consequently realized that it pays to be innovative.



The Governor of Negros Oriental actively participates in promoting the role of teachers and DECS officials in real property tax collection in all 22 component municipalities in the Province.

What You Can Do

To mobilize teachers and school officials to help enhance tax collection in your locality, the following steps can be taken by local RPT officials:

1. Propose to the Governor to conduct a multisectoral CBW to thresh out problems affecting RPT administration in the province. Be sure to invite a representative from DECS.
2. After the CBW, call a meeting of key players to discuss the implementation of the CBW output. Get suggestions from DECS officials or representatives on how they can assist in improving tax administration in the province. Offer to conduct a participatory workshop on real property taxation for teachers and school officials.
3. Conduct the participatory workshop, then meet with DECS officials to discuss the implementation of the workshop output.
4. Follow-up activities may include a writeshop on curriculum development, jingle- or poster-making contests, and other such activities involving teachers.

Resources and References

- Mr. Perfecto Martinez, Jr., Provincial Treasurer, Provincial Capitol, Bayombong, Nueva Vizcaya, Tel. (078) 321-2580
- Mrs. Lorna B. Manuis, Asst. Superintendent, DECS Provincial Office Bayombong, Nueva Vizcaya, Tel. (078) 321-2519/2169
- Mr. Jose Carreon Jr., Office of the Provincial Administrator Provincial Capitol, Bayombong, Nueva Vizcaya, Tel. (078) 321-2551
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- Ms. Norberta Elnar, District Supervisor, Dauin District, Dauin, Negros Oriental
- Mayor Felicisimo Delena, Dauin, Negros Oriental