



NHA Memorandum Circular No. 2021- 046

SUBJECT : GUIDELINES ON THE FILING OF STATEMENT OF ASSETS, LIABILITIES AND NET WORTH (SALN) FOR THE CALENDAR YEAR 2021 AND THE YEARS THEREAFTER

The guidelines in the filing of the annual Statement of Assets, Liabilities and Net Worth (SALN) and Disclosure of Business Interest and Financial Connections are hereby prescribed for the Calendar Year 2021 and the Years Thereafter, pursuant to the following government issuances:

- Section 8 of Republic Act (RA) No. 6713, otherwise known as the “Code of Conduct and Ethical Standards for Public Officials and Employees” and its Implementing Rules and Regulations;
- Civil Service Commission (CSC) Memorandum Circular (MC) No. 2, s. 2013 on the Revised SALN Form and CSC Resolution No. 1300173 promulgated on January 24, 2013 on the use of SALN Form;
- CSC MC No. 3, s. 2015 and CSC Resolution No. 1500088 promulgated on January 23, 2015, which provides, among others, the amendment to CSC MC No. 2, s. 2013; and
- Ombudsman MC No. 2 dated August 2, 2017, which requires the submission of electronic copies of the SALN to the Office of the Ombudsman.

I. OBJECTIVES

- 1.1. Enjoin all officers and employees to declare and submit annually a true, detailed and sworn statement of assets, liabilities, and net worth, including disclosure of business interests and financial connections, and to declare to the best of their knowledge their relatives who are in government service.
- 1.2. Ensure that the assets, liabilities, net worth, financial connections and business interests of the employee’s spouse and unmarried children below eighteen (18) years of age living in their household are also disclosed. It shall also contain a disclosure of the declarant’s relatives within the fourth degree of consanguinity and affinity who are in the government service.

II. SCOPE

All regular officers and employees who are holding career positions under temporary status, except those serving in honorary capacity, laborers and casual or temporary workers, are required to file their SALN annually.

III. DEFINITION OF TERMS

- 3.1. Civil Status, or marital status, refers to the distinct options that describe a person’s relationship with a significant other. Married, single, divorced, and widowed are examples of civil status.

- 3.2. Filing. Spouses who are both public officers and employees shall have the option to file either jointly or separately. In case the declarant is single or married but whose spouse is not in government service, he/she shall tick off the box marked as "Not Applicable." The change of civil status of declarant after December 31 of the preceding year shall not affect the nature or the properties declared. Declarant must provide the information required for all his/her unmarried children below eighteen (18) years of age and living in his/her household, whether legitimate or illegitimate.
- 3.3. Asset refers to declarant's real and personal properties, including those his/her spouse and unmarried children below eighteen (18) years of age living in his/her household. It includes those within or outside the Philippines, whether real or personal, whether used in trade or business.
- 3.4. Real Properties refer to properties which are immovable by nature. The kind of real properties are classified according to their use, that is, residential, commercial, agricultural, industrial, or mixed use and the like. It shall include its description, kind, exact location, year and mode of acquisition, assessed value, fair market value, acquisition cost of land, building, etc. including improvements thereon.
- 3.5. Conjugal Property refers 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.
- Prior to the enactment of the Family Code of the Philippines in 1987, when there is no marriage settlement between spouses, their property relations are covered by the rules on conjugal partnership gains.
- 3.6. Capital Property are properties exclusively owned by the husband.
- 3.7. Paraphernal Property are properties exclusively owned by the wife.
- 3.8. Community Property refers to all properties owned by the spouses at the time of the celebration of marriage or acquired thereafter.
- 3.9. Acquisition Cost refers to the amount paid to acquire or own something. Or expenses incurred for improvements introduced on real property.
- 3.10. Assessed Value refers to the amount indicated in the tax declaration of the real properties involved.
- 3.11. Fair Market Value refers to the amount indicated as market value in the tax declaration of the real properties concerned.
- 3.12. Improvements refer to all the works that are constructed/introduced to the land, or repairs/improvements made to the land or building after its initial acquisition. In declaring, an improvement to the property, the declarant may opt to declare it separately or together with the property to which it is attached.

Real properties already covered by a Deed of Sale, inherited or subject of an extra-judicial settlement of estate but not yet titled under declarant's name should also be disclosed.

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

In the case of properties co-owned with other individuals, the declarant shall disclose the proportionate amount of his share in the property. Regarding properties subject of a contract to sell, the amount already paid shall be declared as personal property.

Properties which are subject of either 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.

- 3.13. Personal Properties refer to jewelry, appliances, furniture, motor vehicles and other tangible/movable properties. This shall also include investments or assets, such as cash on hand (foreign currency shall be converted into the corresponding Philippine currency equivalent, at the prevailing rate of exchange as of December 31 of the preceding calendar year) or in bank, negotiable instruments, securities, stocks, bonds, and the like. Declaration of personal properties shall include mode, year and cost of acquisition, or the value or amount of said personal properties. 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.
- 3.14. Liabilities refers to financial liability or anything which 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.
- 3.15. Nature of liability refers to the type of loan obtained from banks, financial institutions, GSIS, Pag-IBIG and others, such as personal, multi-purpose, salary, calamity loan and the likes. Name of creditors and the outstanding balance shall also be indicated.
- 3.16. Outstanding balance refer to the amount of money that is still due as of December 31 of the preceding calendar year.
- 3.18. 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 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. 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.
- 3.19. Business Interest refers to a declarant's existing interest in any business enterprise or entity, aside from income from the government. This also includes those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.
- 3.20. Financial Connections refer to a declarant's existing connections with any business enterprise or entity, whether as a consultant, adviser and the like, with an expectation of remuneration for services rendered, including those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.
- They shall also indicate the business address, nature of business interest and/or financial connection, date of acquisition of interest connection.
 - 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.
 - 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, adviser, financial or business consultant, and the like.
- 3.21. Relatives in Government. The declarant shall disclose his/her relatives up to the 4th civil degree of relationship, either by consanguinity or affinity, including bilas, inso, and balae. 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.
- 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 older brother or male cousin.
 - Balae refers to a parent of the declarant's son-in-law or daughter-in-law.
- 3.22. Affinity refers to the relationship of a husband to the blood relative of his wife, or a wife to the blood relatives of her husband, categorized as follows:

- 1st Degree of affinity includes the declarant's father-in-law and mother-in-law.
- 2nd Degree of affinity includes the declarant's brother-in-law, sister-in-law, grandmother-in-law, grandfather-in-law, granddaughter-in-law and grandson-in-law.
- 3rd Degree of affinity includes the declarant's nephew-in-law, niece-in-law, uncle-in-law, auntie-in-law.
- 4th Degree of affinity includes the declarant's first cousin-in-law.

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

- 1st Degree of consanguinity includes the declarant's father, mother, son/s, and daughter/s.
- 2nd Degree of consanguinity includes the declarant's brother, sister, grandmother, grandfather, grandson, and granddaughter.
- 3rd Degree of consanguinity includes the declarant's nephew, niece, uncle and aunt.
- 4th Degree of consanguinity refers to relative's in the 4th degree of consanguinity include the declarant's first cousins.

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

In case the declarant has no relatives in the government, the declarant shall tick off the appropriate box in the form.

IV. SALN REVIEW AND COMPLIANCE COMMITTEE

The SALN Review and Compliance Committee (SRCC) shall be established to oversee and monitor the submission of the annual SALN. It shall be composed of at least three (3) members, subject to the issuance of an office order by the General Manager. The SRCC shall perform the following duties and responsibilities:

- 4.1. Review submitted SALNs and ensure compliance with the prevailing rules and regulations on the filing of the same;
- 4.2. Prepare a list of in alphabetical order, and submit to the Management, copy furnished, as may be applicable, the Civil Service Commission, the Office of the Ombudsman, or the office of the President, on or before May 15 of every year, with these details:
 - Those who filed their SALNs with complete data;
 - Those who filed their SALNs but with incomplete data; and
 - Those who did not file their SALNs
- 4.3. Establish the internal review and compliance procedure on the filing of SALN.

The Information Staff, HRMD, shall serve as the Technical and Administrative Secretariat of the SRCC.

V. GENERAL GUIDELINES

- 5.1. All regular employees shall file their SALN and Disclosure of Business Interest and Financial Connections. For annual filing, the SALN must be filed on or before January 15 of every year, with statements covering January 1 to December 31 of the preceding year.

For newly appointed employees, the SALN must be filed within thirty (30) days after assumption of office, statements of which must be reckoned on the first day of service in NHA.

For those separated from the service, the filing must be within 30 days from separation, with statements covering January 1 up to the last day of service of the same year.

For assets and/or properties acquired, donated, or transferred for a particular year, which were not declared in the SALN on the year of acquisition but came only to the declarant's knowledge after the filing, must be declared or reflected in the immediately succeeding SALN of the declarant.

- 5.2. All regular employees are strictly required to complete the applicable information and make a true and detailed statement in their SALNs. Items not applicable shall be marked as "N/A" or "Not Applicable."
- 5.3. For Single or Separate Filing, SALN shall be submitted in triplicate, 2 Originals and 1 photocopy.
- 5.4. In case of joint filing, the declarant and his/her spouse shall sign in the spaces provided for. If the spouse is not a public officer or employee, the declarant shall still include the spouse to sign the SALN. In case of non-compliance with the signature of the spouse, a written explanation should be attached to the SALN Form for such non-compliance. It shall be submitted in six (6) copies, four (4) originals and 2 photocopies.
- 5.5. SALNs should also be submitted electronically in Portable Document Format or PDF and individually saved per declarant in a USB (Universal Serial Bus) flash drive, using the title of the document as the file name of the PDF file, for example:

<u>Document</u>	<u>File Name</u>
SALN SANTOS Anita P.	SALN SANTOS Anita.pdf

- 5.6. In support of the SALN submission, all officials and employees shall also submit to HRMD one (1) original copy of the recent BIR Form #2316 and Joint Certification immediately after its issuance.
- 5.7. Non-submission of the SALN copies to HRMD shall be considered as failure to comply with the requirements of RA 6713, subject to the penalties as provided in Item IX. Penalties for Failure to Comply.
- 5.8. In order to prevent unauthorized insertions or misplaced pages, pagination shall be specified, to read as Page 1 of (number of pages), Page 2 of (number of pages), and so on.

- 5.9. Filling up of the form may be handwritten, computerized or typewritten provided that the signature of the declarant is original. The declarant must write legibly if he/she prefers to fill out the form in handwriting.
- 5.10. Additional sheets may be used, if necessary. The additional sheet shall indicate the declarant's name, position and agency name, the year covered by the SALN, with his/her signature per each page.
- 5.11. The General Manager may delegate the authority to administer oath for the SALN to an NHA Official, through the issuance of an office order.
- 5.12. No unnecessary markings shall be made on the SALN Form.

VI. CONTENTS OF THE SALN

6.1. Basic Information

- In case of joint filing, all real and personal properties shall be declared including their respective paraphernal and capital property.
- The change of civil status of the declarant after December 31 of the preceding year shall not affect the nature of the properties declared.
- The declarant shall provide information on his/her residential address.
- Declarant must provide the information required for all his/her unmarried children below eighteen (18) years of age and living on his/her household, whether legitimate or illegitimate.

6.2. Assets, Liabilities and Net Worth

- The SALN shall contain a true and complete declaration of Assets, Liabilities and Net Worth, including Disclosure of Business Interests and Financial connections of the declarant, his/her spouse, and unmarried children below eighteen (18) years of age living in his/her household. It shall also contain a disclosure of the declarant's relatives within the fourth (4th) degree of consanguinity and affinity who are in the government service.
- Assets include those within or outside the Philippines, whether real or personal, and whether used in trade or business.

6.3. Real Properties

- The declarant 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.
- Furthermore, real properties already covered by a deed of sale, inherited or subject of an extra-judicial settlement of estate but not yet titled under declarant's name shall also be disclosed. The assessed and fair market value as found in the tax declaration shall be declared. Likewise, the acquisition cost which is the amount of money paid to acquire or own the real property and/or the amount expenses incurred in improvements introduced on the real property shall be declared.

For purposes of computing the declarant's net worth, the acquisition cost shall be made the basis thereof.

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

6.4. Personal Properties

- Personal properties 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."
- In case of properties co-owned with other individuals, the declarant shall disclose the proportionate amount of his/her share in the property.
- With regards to properties subject to 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.

6.5. Liabilities

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

6.6. Financial and Business Interest

- 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 the government. They shall also indicate the business address, nature of business interest and/or financial connection, and date of acquisition of interest or connection.

6.7. Relatives in Government

- The declarant shall disclose his/her relatives in the government within the fourth (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 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.

VII. TRANSMITTAL OF ALL SUBMITTED SALNs TO CONCERNED AGENCIES

Regional Offices/District Offices shall submit their SALN directly to the Office of the Ombudsman and the CSC Regional or Field Offices in their respective areas, copy furnished HRMD of the receiving copy of the said offices. The Regional Manager shall also submit, as an attachment, a certification that the SALNs were reviewed and accomplished in accordance with the guidelines on the filing out of the SALN.

For the consolidated agency submission, the HRMD shall transmit all original copies of the SALNs received from all units to the Central Offices of the CSC and Office of the Ombudsman on or before June 30 of every year.

VIII. ACCESS TO THE SUBMITTED SALN

Any request for access to or reproduction of the duly submitted SALN shall be referred to the Data Privacy Officer (DPO) of the Authority for evaluation as to compliance with pertinent CSC Rules on the matter or laws which regulate the flow of information most specifically the Data Privacy Act of 2012. If the request is found to be for a legitimate purpose and compliant with the aforementioned rules and regulations, the DPO shall make the necessary recommendation to the Management allowing access to or reproduction of the requested SALN.

It shall be unlawful for any person to obtain or use the SALN for any purpose contrary to morals or public policy, or any commercial purpose other than by news and communications media for dissemination to the general public.

IX. PENALTIES FOR FAILURE TO COMPLY

The following shall constitute violation of the Section 8 of RA NO. 6713, Code of Conduct and Ethical Standards for Public Officials and Employees" and Section 4 of CSC MC No.3, s 2015:

- Failure to submit his/her SALN; and
- Failure to disclose or declare properly any assets, liability, business interest, financial connection, and relative in the government in his/her SALN.


The penalties for failure to comply are as follows:

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| First Offense | - | Suspension of 1 month and 1 day to 6 months |
| Second Offense | - | Dismissal from the service. |

X. EFFECTIVITY

This Circular shall take effect immediately.

All concerned shall be guided accordingly.



MARCELINO P. ESCALADA, JR.
General Manager

Date signed: 05 November 2021