

**COMMISSION ON AUDIT CIRCULAR NO. 99-002**  
**June 15, 1999**

- TO** : Heads of Departments; Chiefs of Bureaus, Agencies, and Offices; Managing Heads of Government-Owned and/or Controlled Corporations; Local Chief Executives; Assistant Commissioners, Directors, Officers-in-Charge, and Auditors of the Commission on Audit; and All Others Concerned.
- SUBJECT** : Clarifying the application of COA Circular No. 75-6 dated November 7, 1975 on entitlement to transportation allowance of government officials whose offices have been issued with government vehicles, in accordance with the ruling of the Supreme Court in *Aida Domingo vs. Commission on Audit* (G.R. No. 112371), promulgated on October 7, 1998.

1.0 PURPOSE

This Circular is issued to clarify the application of COA Circular No. 75-6 dated November 7, 1975 and to implement the Supreme Court ruling in the case "*Aida Domingo vs. Commission on Audit*, G.R. No. 112371, October 7, 1998" to the effect that government officials whose Offices are issued with motor vehicles, regardless of whether the vehicle is issued to the Office or to the government official himself, shall not be entitled to transportation allowance.

2.0 REGULATIONS ON NON-ENTITLEMENT TO ALLOWANCE TRANSPORTATION

- 2.1 For the information of all concerned, quoted hereunder is the pertinent portion of the Supreme Court decision in the case "*Aida Domingo vs. Commission on Audit*", G.R. No. 112371:

"As correctly pointed out by the Solicitor General, there are two instances when transportation allowance cannot be granted to a government official, as when a government official assigned a vehicle, and when a government official uses government transportation facilities. It is undeniable that several government vehicles were issued to the Regional Office of DSWD in Region V. That the vehicles thereat were issued not to petitioner herself, as Regional Director, but to the Regional Office itself, is of no moment. What is important and decisive is that such vehicles were intended primarily for the official use of subject office and its officials and employees. As maintained by the Solicitor General, whether or not herein petitioner used the vehicle assigned to her office, is not an issue, as it is undeniable that she could have used the said vehicle whenever she wanted to since it was assigned to her office,"

The Court, likewise, ruled:

"In the case under consideration, it must be noted that the provisions of law referred to in the General Appropriations Acts of 1988, 1989, 1990 and 1991, utilized the word "assigned" and not "used". Webster's Dictionary defines the word "assign" as to "to transfer (property) to another in trust". Had legislative intent been that government

officials issued an official vehicle could still collect transportation allowance if they do not actually use subject vehicle, the word "use" instead of "assign" should have been employed."

Based on the above-cited ruling, it is clear that government officials whose offices are issued with motor vehicles are not entitled to transportation allowance whether or not they actually used such vehicles.

- 2.2 The prohibition against collection of transportation allowance when the office is assigned a vehicle shall apply only to the head of the agency, unless the head of the agency specifically assigns a vehicle to particular officials under him or to a particular unit under said official, when there are more than one vehicle assigned to the agency; in which case, the said official who himself or whose unit under him has been assigned a vehicle shall not be entitled to transportation allowance.
- 2.3 Where the head of agency does not specifically assign a vehicle to a subordinate official entitled to transportation allowance, or to the unit or division of the said subordinate official, the latter shall be allowed to collect the transportation allowance but shall refund the proportionate amount thereof whenever he avails of a government motor vehicle, corresponding to the number of days he has used the said government vehicle.

### 3.0 REPEALING CLAUSE

All existing COA issuances inconsistent herewith are repealed/modified accordingly.

### 4.0 EFFECTIVITY

This Circular shall take effect immediately.

**(Sgd.) CELSO D. GAÑGAN**  
Chairman

**(Sgd.) RAUL C. FLORES**  
Commissioner

**(Sgd.) EMMANUEL M. DALMAN**  
Commissioner