



Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City

10/18/04
[Signature]

CIRCULAR LETTER

No. : 2004-004

Date: October 5, 2004

TO: Heads of Financial Management Services, Accountants/Heads of Accounting Units of National Government Agencies; COA Directors, Heads of Auditing Units/Audit Team Leaders; and All Others Concerned

SUBJECT: Use of Account "Due to National Treasury" for Recording Income Required to be Remitted to the National Treasury

- 1.0 This Circular Letter is issued to clarify the use of account "Due to National Treasury" to record collections of Income of National Government Agencies (NGAs) due for remittance to the National Treasury as provided in Section 161 of the Manual on New Government Accounting System for NGAs.
- 2.0 Collections of NGAs to be remitted to the National Treasury include the following:
 - 2.1 All income received and are not a uthorized to be used by t he collecting a gency presently recorded either in the Regular Agency (RA) or National Government (NG) Books;
 - 2.2 Those income collected and are authorized to be used upon receipt of a Special Allotment Release Order (SARO) and Notice of Cash Allocation (NCA) from the Department of Budget and Management. Examples of these are proceeds from sale of obsolete, unserviceable and unnecessary properties and grants and donations received for specific purpose, and
 - 2.3 Excess collections authorized for use by the agency to defray actual expenses related to the purpose these were collected. Examples are collections for seminar and convention fees.

- 3.0 For monitoring of the income accounts and to facilitate preparation of the Report of Income, Subsidiary Ledgers for account "Due to National Treasury" (code 411) shall be provided using the titles of the General Ledger accounts for income prescribed under the Revised Chart of Accounts pursuant to COA Circular No. 2003-001 dated June 17, 2003.

Example:

<u>General Ledger</u>	<u>Subsidiary Ledgers</u>
Due to National Treasury (code 411)	Registration Fees (code 411-606)
	Permit Fees (code 411-605)
	Clearance and Certification Fees (code 411-613)

- 4.0 For guidance and compliance.


LOURDES B. DIMAPILIS
Assistant Commissioner