



February 24, 2022

**ATTY. RYSAN C. GUINOCOR**

Legal Officer

Visayas State University

ViSCA Baybay City, Leyte

Dear Atty. Guinocor:

This pertains to your communication seeking my comments on the membership and annual fees set in the MOA.

Based on my evaluation of the document, the fees have no maximum amount. I think it can be indicated here so that the NGA or SUC members will have an idea considering that it entails source of funds. However, it has a statement that any changes should be mutually agreed by the parties.

It is also important that the amount received should be issued with an Official Receipt.

On the other hand, with regards to your query on taxes, VSU is a State University is required to withhold taxes for our suppliers/contractors including its employees. However, regarding income earned, Sec. 5 of PD 700 (converting VAC to VISCA) states that its assets, acquisitions, income and its operations and transactions, shall be exempt from any and all taxes imposed by the government or any of its political subdivision or taxing authority thereof. xx

I believe that if the entity is transacting with ViFARD taxes imposed would be different.

Hope that this can shed light to your concerns.

Thank you.

Very truly yours,

**LOUELLA CHAN-AMPAC**

Director, Finance Office