

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

'22 JUL 14 P1:49

SENATE

Senate Bill No. 596

RECEIVED BY: \_\_\_\_\_

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Introduced by Senator Juan Miguel F. Zubiri

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**AN ACT**  
**EXEMPTING GOVERNMENT OFFICIALS AND EMPLOYEES FROM THE**  
**PROHIBITION AGAINST DISCLOSURE OF OR INQUIRY INTO DEPOSITS WITH**  
**ANY BANKING INSTITUTION, AMENDING FOR THE PURPOSE CERTAIN**  
**PROVISIONS OF REPUBLIC ACT NO. 1405, OTHERWISE KNOWN AS THE**  
**"SECURITY OF BANK DEPOSITS LAW"**

**EXPLANATORY NOTE**

The Bank Secrecy Law was enacted to safeguard the depositors and encourage them to entrust their money in bank institutions to be used and invested by the latter in economic activities that will help our country. The law on bank secrecy, however, is not absolute and admits of certain exceptions such as when written permission or consent is given in writing by the depositor, in cases of impeachment, or upon order of the court in cases of bribery or dereliction of duty of public officials, among others.

To expedite investigations relating to erring public officials, this bill proposes to amend the current law by excluding government officials and employees from those covered by the confidentiality or protection clause of the Bank Secrecy Law. This will promote accountability and transparency and allow law enforcement authorities to inquire into the bank deposits of government officials and employees suspected of illegal or criminal activities.

In view of the foregoing, the passage of this bill is earnestly sought.



**JUAN MIGUEL F. ZUBIRI**



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EXEMPTING GOVERNMENT OFFICIALS AND EMPLOYEES FROM THE  
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WITH ANY BANKING INSTITUTION, AMENDING FOR THE PURPOSE  
CERTAIN PROVISIONS OF REPUBLIC ACT NO. 1405, OTHERWISE  
KNOWN AS THE "SECRECY OF BANK DEPOSITS LAW"**

*Be it enacted by the Senate and House of Representatives of the Philippines in  
Congress assembled:*

1 **SECTION 1.** Section 2 of Republic Act No. 1405, otherwise known as the Secrecy  
2 of Bank Deposits Law" is hereby amended to read as follows:

3

4 "Section 2. All deposits of whatever nature with banks or banking  
5 institutions in the Philippines including investments in bonds issued  
6 by the Government of the Philippines, its political subdivisions and  
7 its instrumentalities, are hereby considered as of an absolutely  
8 confidential nature and may not be examined, inquired or looked  
9 into by any person, government official, bureau or office, except  
10 upon written permission of the depositor, or in cases of  
11 impeachment, or upon order of a competent court in cases of  
12 bribery or dereliction of duty of public officials, or in cases where  
13 the money deposited or invested is the subject matter of the  
14 litigation; **OR WHEN THE DEPOSITOR HOLDS ANY PUBLIC  
15 OFFICE IN THE GOVERNMENT OF THE PHILIPPINES BY  
16 VIRTUE OF AN APPOINTMENT, ELECTION OR CONTRACT,  
17 IN ANY STATE-OWNED OR CONTROLLED CORPORATION  
18 OR ENTERPRISE, PERMANENT OR TEMPORARY, WHETHER  
19 IN THE CAREER OR NON-CAREER SERVICE, INCLUDING**

1           **THOSE IN THE MILITARY SERVICE, WHETHER CIVILIAN**  
2           **OR UNIFORMED PERSONNEL, AND THOSE IN THE POLICE**  
3           **FORCE, WHETHER OR NOT THEY RECEIVE**  
4           **COMPENSATION, REGARDLESS OF AMOUNT. *PROVIDED,***  
5           **THAT THE EXEMPTIONS ABOVE-MENTIONED SHALL**  
6           **INCLUDE FOREIGN CURRENCY DEPOSITS IN PHILIPPINE**  
7           **BANKS OPERATING IN THE PHILIPPINES, FOREIGN AND**  
8           **OFF-SHORE BANKS OPERATING IN THE PHILIPPINES, AND**  
9           **SUCH OTHER KIND OF DEPOSIT SUBSTITUTES.”**

10  
11       **SECTION 2. *Separability Clause.*** – If any part or provision of this Act is  
12       declared as unconstitutional or invalid, the other provisions which are not affected  
13       shall continue to be in full force and effect.

14  
15       **SECTION 3. *Repealing Clause.*** – All laws, executive orders, decrees, rules and  
16       regulations, or any part thereof inconsistent with the provisions of this Act are  
17       deemed repealed, amended or modified accordingly.

18  
19       **SECTION 4. *Effectivity.*** – This Act shall take effect fifteen (15) days after its  
20       complete publication in at least two (2) newspapers of general circulation.

*Approved,*