



MC NO. 31, S. 1991

MEMORANDUM CIRCULAR

T O : ALL HEADS OF DEPARTMENTS, BUREAUS, AGENCIES,
IN THE NATIONAL AND LOCAL GOVERNMENT INCLUDING
GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS
AND STATE COLLEGES AND UNIVERSITIES

SUBJECT : Guidelines in the Application for Monetization
of leave Credits and the Computation of the
Money Value of the Ten (10) Days Monetized
Leave Credits

Pursuant to Joint CSC-DBM Memorandum Circular No. 1, s.
1991, government officials and employees in the career or
non-career service whether permanent, temporary, provisional
or casual may be allowed to monetize a maximum of ten (10)
days leave credits.

In this connection and for uniformity in the
application of this Circular, the following guidelines
shall be followed in the monetization of the leave credits.

I. Application for Monetization of Leave Credits:

1. Monetization of Leave Credits shall be made in
the prescribed leave form, CSC Form No. 6,
revised 1984;
2. No inclusive dates shall be indicated in item
No. 6 (c) of the leave form. The number of
days applied for shall be indicated instead.
3. Application for monetization shall be approved
by the Head of the office concerned

**II. Computation of the Money Value of the Ten (10) Days
Leave Credits:**

FORMULA:

$$\frac{\text{Monthly Salary}}{22} \times 10 \text{ days} = \text{Money value of the monetized leave}$$

EXAMPLE:

$$\frac{\text{P10,000.00 (monthly sal.)}}{22} \times 10 \text{ days} = \text{P4,545.45}$$

NOTE:

Divisor of 22 is used as the average working days per month.

III. TAX EXEMPT:

Monetization of Leave Credits shall be exempted from income tax.

PLEASE BE GUIDED ACCORDINGLY.


PATRICIA A. STO. TOMAS
Chairman

July 23, 1991

OCSS