REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

Section 60(B), Tax Code of 1997, as amended
BIR Ruling No. ERP-475-2012
#100-2016

4-5-2016
Date

MOTORMALL NCR, INC.
100 E Rodriguez Jr. Ave. (C5)
Brgy. Ugong, Pasig City

Attention: **REY B. DACALANIO**
AVP Comptroller

Gentlemen:

This refers to your letter dated August 15, 2013, requesting for revalidation of the exemption from the 20% and 7.5% final taxes on interest income from local bank deposits and foreign currency deposits of the **Motormall NCR, Inc. Retirement & Severance Benefit Plan** (TIN:)

Documents submitted show that BIR Ruling No. ERP-475-2012 dated July 9, 2012, was issued in favor of **Motormall NCR, Inc. Retirement & Severance Benefit Plan** (with effective date: January 1, 2008) wherein the said retirement plan was declared that, being a reasonable retirement trust, it is exempt from 20% final tax and 7.5% tax on interest income from local banks deposits and foreign currency deposits.

In reply thereto, please be informed that the exemption of the abovementioned trust from payment of the 20% and 7.5% final taxes on interest income from local bank deposits and foreign currency deposits imposed under section 27 (D)(1) of the National Internal Revenue Code of 1997 (Tax Code of 1997), as amended, remains valid and subsisting.

It must be emphasized, however, that in its investment activities, no part of the corpus or income of the Fund shall be used for or diverted to purposes other than for the exclusive benefit of the member-employees/officials or their beneficiaries. Furthermore, the trustee bank should not in any way use the Retirement Fund to invest/deposit in any of the employer's business ventures because it would destroy the separate entity of the trust.

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Very truly yours,

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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