REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

Section 30(E) of the Tax Code of 1997
BIR Ruling No. 140-14
103-2018 1-31-2018

BUÑAG & LOTILLA LAW OFFICES
Suites A & B, 10th Floor Strata 100 Building F. Ortigas, Jr. Road
Ortigas Center, Pasig City

Attention: **JOSE MARIO C. BUNAG**

Gentlemen:

This refers to your letter dated December 27, 2013 duly indorsed by Revenue Region No. 8-Makati City, requesting on behalf of your client, Rotary Foundation of Rotary International Phils. Inc., for the issuance of a certificate of tax exemption pursuant to Section 30 of the Tax Code of 1997, as amended.

It is represented that Rotary Foundation of Rotary International, a foreign corporation organized and existing under the laws of Illinois, U.S.A., was duly licensed to establish its branch office in the Philippines; that it is registered with the Securities and Exchange Commission (SEC) under License No. under the name Rotary Foundation of Rotary International Phils. Inc. (TIN); and that the purpose for which it intends to pursue in the transaction of its business in the Philippines, is to operate exclusively for charitable and educational purposes and to coordinate all activities of the local chapters of Rotary International.

In reply, please be informed that pursuant to the last paragraph of Section 5(a) of Revenue Memorandum Order (RMO) No. 20-2013 which states that, viz;

> *"A branch office of a foreign non-stock, non-profit corporation cannot qualify as a tax-exempt corporation under Section 30 of the NIRC, as amended."*

In view of the foregoing, your request for the exemption of Rotary Foundation of Rotary International Phils. Inc. as a non-stock, non-profit corporation under Section 30 of the Tax Code of 1997, as amended, is hereby denied for lack of legal basis. (BIR Ruling No. 140-2014 dated May 23, 2014)

Very truly yours,

CAESAR R. DULAY
Commissioner of Internal Revenue

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