REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

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26 July 2021

REVENUE REGULATIONS NO. 14-2021

SUBJECT : Suspending the Implementation of Certain Provisions of Revenue Regulations No. 5-2021 dated 8 April 2021

TO : All Internal Revenue Officials, Employees and Others Concerned

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To ease the burden of taxation among proprietary educational institutions, especially during this time of COVID-19 pandemic, and taking into account the pending Bills in Congress seeking to amend Section 27 (B) of the National Internal Revenue Code (NIRC) of 1997, as amended, to finally clarify the income taxation of schools, the implementation of the following provisions of Revenue Regulations (RR) No. 5-2021[1] dated 8 April 2021 are hereby suspended pending passage of such appropriate legislation:

(i) Section 2 (C), on the definition of Proprietary Educational Institutions, insofar as it includes therein the phrase, "*which are non-profit*",

(ii) Section 2 (E), on the definition of Non-Profit, insofar as it applies to "*Proprietary Educational Institutions*"; and,

(iii) Section 3 (B), which provides illustration on the tax treatment of Proprietary Educational Institutions that are non-profit.

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[1] Implementing the New Income Tax Rates on the Regular Income of Corporations, on Certain Passive Income, Including Additional Allowable Deductions from Gross Income of Persons Engaged in Business or Practice of Profession Pursuant to Republic Act (RA) No. 11534, or the *Corporate Recovery and Tax Incentives for Enterprises Act* (CREATE)

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All other revenue issuances inconsistent herewith are hereby modified or amended accordingly.

This Regulations shall take effect immediately.

CARLOS G. DOMINGUEZ
Secretary of Finance
JUL 27 2021

Recommending Approval:

CAESAR R. DULAY
Commissioner of Internal Revenue
044204

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