REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

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REVENUE REGULATIONS NO. 28-2018

SUBJECT : Amending Certain Provisions of Revenue Regulations (RR) No. 17-2011, as Amended, Implementing Republic Act (RA) No. 9505, Otherwise Known as the "Personal Equity and Retirement Account (PERA) Act of 2008".

TO : All Internal Revenue Officers and Others Concerned

SECTION 1. SCOPE. — Pursuant to the provisions of Sections 244 and 245 of the National Internal Revenue Code of 1997, as amended, in relation to Section 13 of Republic Act (RA) No. 9505, otherwise known as the "Personal Equity and Retirement Account (PERA) Act of 2008", certain provisions of Revenue Regulations (RR) No. 17-2011, as amended, is hereby further amended as prescribed under the aforesaid law.

SECTION 2. Sections 4 (5) of RR No. 17-2011, as amended, is hereby further amended to read as follows:

> *"**SECTION 4. Establishment of a PERA**. — A Contributor must comply with the following requirements in establishing a PERA:*
>
> *xxx xxx xxx*
>
> *(5) Submission of proof of source of funds for the year or to be earned for the year when the PERA contribution was made."*

SECTION 3. Section 10 (B) of RR No. 17-2011, as amended, is hereby renumbered and further amended to read as follows:

> ***"SECTION 10. PERA Distributions and Early Withdrawals.** —*
>
> *xxx xxx xxx*
>
> *B. Early Withdrawal*
>
> *The following shall not be subject to the Early Withdrawal Penalty:*
>
> *(1) Transfer of PERA assets to another Qualified/Eligible PERA Investment Product and/or another Administrator within fifteen (15) calendar days from the withdrawal thereof;*
>
> *2) For payment of accident or illness-related hospitalization in excess of thirty (30) days, in which case a duly notarized doctor's certificate attesting to the said event shall be attached to the Notice of*

Termination/Withdrawal/Transfer to be submitted to the PERA Processing Office;

(3) For payment to a Contributor who has been subsequently rendered permanently totally disabled as defined under the Employees Compensation Law or Social Security System Law, in which case a certification duly issued by a pertinent government agency that the Contributor had been permanently totally disabled shall be attached to the Notice of Termination/ Withdrawal/Transfer to be submitted to the PERA Processing Office;

(4) Deduction of fees of the administrator, custodian and product provider (subsequent to account opening) from PERA assets, provided that such deduction is made with the consent of the Contributor."

SECTION 4. REPEALING CLAUSE. — Any rules and regulations, issuances or parts thereof inconsistent with the provisions of these Regulations are hereby repealed, amended or modified accordingly.

SECTION 5. SEPARABILITY CLAUSE. — If any of the provisions of these regulations is subsequently declared unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

SECTION 6. EFFECTIVITY. — These Revenue Regulations shall take effect immediately.

Recommending Approval:

CAESAR R. DULAY
Commissioner of Internal Revenue

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Approved:

CARLOS G. DOMINGUEZ
Secretary of Finance

OCT 23 2018

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