Republic of the Philippines
Department of Finance
BUREAU OF INTERNAL REVENUE
National Office
Quezon City

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April 1, 2020

REVENUE REGULATIONS NO. 8-2020

SUBJECT: Rules and Regulations Implementing Section 4(aa) of Republic Act No. 11469, otherwise known as the "Bayanihan to Heal as One Act"

To: All Internal Revenue Officers and Others Concerned

SECTION 1. Scope. – Pursuant to the provisions of Section 244 of the National Internal Revenue Code (NIRC), as amended, the following Regulations are hereby promulgated to implement Section 4(aa) of R.A. No. 11469, otherwise known as "Bayanihan to Heal as One Act," to wit:

> (aa) Direct all banks, quasi-banks, financing companies, lending companies, and other financial institutions, public and private, including the Government Service Insurance System, Social Security System and Pag-ibig Fund, to implement a minimum of a thirty (30)-day grace period for the payment of all loans, including but not limited to salary, personal housing, and motor vehicle loans, as well as credit card payments, falling due within the period of the Enhanced Community Quarantine without incurring interest, penalties, fees, or other charges. Persons with multiple loans shall likewise be given the minimum thirty (30)-day grace period for every loan;
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> In relation to Section 4 (n) thereof which provides:
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> (n) Ensure the availability of credit to the productive sectors of the economy especially in the countryside through measures such as, but not limited to, lowering the effective lending rates of interest and reserve requirements of lending institutions.

SECTION 2. Coverage.- These regulations cover all extensions of payment and/or maturity periods of all loans, including but not limited to salary, personal, housing, and motor vehicle loans, as well as credit card payments, falling due within the period of the Enhanced Community Quarantine (ECQ) contemplated by Section 4(aa) of R.A. No. 11469, including the extension of maturity periods that may result from the grant of grace periods for these payments, whether or not such maturity periods originally fall due within the ECQ. These regulations also cover credit restructuring, micro-lending including those obtained from pawnshops and extensions thereof during the ECQ Period

SECTION 3. Definition of Terms. - For purposes of these Regulations and to ensure effective implementation of Section 4(n) of the Bayanihan to Heal as One Act, the following words and phrases shall have the meaning indicated below:

3.1 Covered Institutions shall mean all lenders, including but not limited to banks, quasi-banks, non-stock savings and loan associations, credit card issuers, pawnshops and other credit granting financial institutions under the supervision of the Bangko Sentral ng Pilipinas (BSP), Securities and Exchange Commission (SEC), and Cooperative Development Authority, public or private, including the Government Service Insurance System, Social Security System and Pag-ibig Fund.

3.2 Loan Amortization means a scheduled periodic payment that is applied to both loan principal and/or interest.

3.3 ECQ Period means the Enhanced Community Quarantine period from 17 March 2020 to 12 April 2020 cited in Proclamation No. 929 dated 16 March 2020.

3.4 Due Date means the maturity date of the principal and/or interest, including amortizations falling within the ECQ Period.

SECTION 4. Exemption from Documentary Stamp Tax (DST) pursuant to relief for loans falling due within the ECQ Period.- No additional DST, including that imposed under Section 179, 195 and 198 of the NIRC, shall apply to credit extensions and credit restructuring, micro-lending including those obtained from pawnshops and extensions thereof during the ECQ Period.

SECTION 5. Repealing Clause. All revenue rules and regulations and other revenue issuances or parts thereof, which are inconsistent with these Regulations are hereby repealed or modified accordingly.

SECTION 6. Effectivity. - These Regulations shall take effect upon its publication in the Official Gazette or in a newspaper of general circulation.

CARLOS G. DOMINGUEZ III
Secretary of Finance

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Recommending Approval:

CAESAR R. DULAY
Commissioner of Internal Revenue

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