Republic of the Philippines
Department of Finance
Securities and Exchange Commission
SEC Building, EDSA, Greenhills, Mandaluyong City

SEC MEMORANDUM CIRCULAR NO. 21
Series of 2014

To : **ALL CONCERNED**

Subject : **GUIDELINES GOVERNING THE COMPUTATION OF CORPORATE TERM**

To arrive at an accurate computation of the term of existence of a corporation, the Commission, by virtue of SEC En Banc Resolution No. 564, Series of 2014, resolved to adopt the following guidelines:

1. The first day of the corporate term is the date of incorporation, as stated in the Certificate of Incorporation, since it is the day when the existence of a corporation commences pursuant to Section 19 of the Corporation Code and Section 31, Chapter VIIII, Book 1 of the Administrative Code of 1987;

2. The last day of the corporate term is the day before corresponding numbered day of the same month of incorporation in the last year of the existence of a corporation in accordance with the pronouncement of the Supreme Court in the case of *Commissioner of Internal Revenue, et al. versus Primetown Property Group, Inc., G.R. No. 162155*; and

3. The above guidelines for the computation of the corporate term, including the determination of the first and last days thereof, shall apply prospectively.

This Memorandum Circular shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

Signed this 28 day of November, 2014, in Mandaluyong City, Philippines.

TERESITA J. HERBOSA
Chairperson