

ADVISORY

Subject: Income from Investment and Reinvestments of PERA assets in Personal Equity Retirement Account (PERA) UITF and in Government Securities

Date: December 20, 2016

Personal Equity and Retirement Account (PERA) Act of 2008 or RA 9505 aims *“to promote capital market development and savings mobilization by establishing a legal and regulatory framework of retirement plans for persons, comprised of voluntary personal savings and investments.”*

Thus, to stimulate investors, income earned from the investments and reinvestments of PERA assets in PERA investment products as accredited by concerned Regulatory Authority and in government securities are exempted from income taxes.

On December 13, 2016, BIR issued Revenue Memorandum Circular (RMC) No. 131-2016 citing that income from investments and reinvestments of PERA assets in the following list of PERA UITF and investment products as accredited by Bangko Sentral ng Pilipinas shall be exempted from Income Taxes:

1. BPI
 - a. PERA Equity Fund,
 - b. PERA Corporate Income Fund,
 - c. PERA Government Bond Fund and
 - d. PERA Money Market Fund
2. BDO
 - a. PERA Equity Index Fund,
 - b. PERA Bond Index Fund,
 - c. PERA Short Term Fund
3. LANDBANK
 - a. PERA Global Dollar Fund,
 - b. PERA Bond Fund,
 - c. PERA Money Market Fund
4. RCBC
 - a. PERA Equity Fund,
 - b. PERA Balanced Fund and
 - c. PERA Money Market Fund

We enclosed Revenue RMC 131-2016 for your reference.



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