



BANGKO SENTRAL NG PILIPINAS

METRO MANILA CURRENCY OPERATIONS SUB-SECTOR

MEMORANDUM NO. M-2020-002

To : **ALL AUTHORIZED AGENT BANKS**

Subject : **Withholding of Taxes on Income Payments to the Bangko Sentral ng Pilipinas (BSP)**

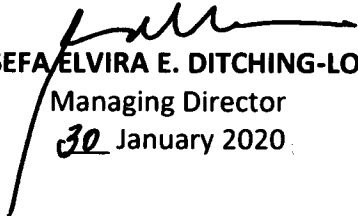
Subject to the issuance of a Revenue Memorandum Circular (RMC) by the Bureau of Internal Revenue (BIR) on the details of the implementation of the tax exemption of the BSP on all income derived from its governmental functions under the Amended BSP Charter (RA No. 11211), all Authorized Agent Banks (AABs) shall discontinue withholding the two (2) percent tax on service fees arising from bank deposit transactions with the Cash Department (CD).

Accordingly, CD shall collect 100 percent of the service fees through the Demand Deposit Accounts (DDAs) of AABs.

For the immediate appropriate action of the AABs.


RUTH C. GONZAGA
Director
Cash Department
28 January 2020

Noted:


JOSEFA ELVIRA E. DITCHING-LORICO
Managing Director
30 January 2020