September 3, 2010

REVENUE REGULATIONS NO. <u>8-2010</u>

SUBJECT: **Amending Revenue Regulations No. 7-2010 Implementing the Tax Privileges Provisions of R.A. No. 9994, Otherwise Known as the "Expanded Senior Citizens Act of 2010"**

TO   : **All Internal Revenue Officers and Other Concerned**

SECTION 1.   *Scope. -* Pursuant to Section 244 of the Tax Code of 1997, as amended, in relation to Section 4 of Republic Act No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", and its Implementing Rules and Regulations promulgated by the Department of Social Welfare and Development, these Regulations are hereby promulgated to amend the first paragraph of Section 10 of Revenue Regulations (RR) No. 7-2010 excluding the electric and water consumption of senior citizens from the exemption from value-added tax (VAT).

SECTION 2. First paragraph of Section 10 of RR No. 7-2010 is hereby amended by excluding the special discounts on electric and water consumption of senior citizens from exemption from VAT, which Section shall read as follows:

> "SEC. 10. Exemption from VAT of the sale to Senior Citizens. –
>
> Sales of any goods and services under Section 4 of these Regulations to Senior Citizens shall be exempt from the value-added tax. To ensure the full entitlement of the Senior Citizen to the discount prescribed in the Act, the sellers are precluded from billing VAT to the Senior Citizens."
>
> xxx   xxx   xxx

SECTION 4. *Amendatory Clause. -* Provisions of existing issuances which are or may be inconsistent with the foregoing, if any, are hereby deemed amended and/or superseded accordingly.

SECTION 5. *Effectivity Clause. -* These Regulations shall take effect fifteen (15) days after publication in the Official Gazette or newspaper of general circulation in the Philippines, whichever comes first.

(Original Signed)
CESAR V. PURISIMA
Secretary of Finance

Recommending Approval:

(Original Signed)
KIM S. JACINTO-HENARES
Commissioner of Internal Revenue