

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

April 2, 2012

Revenue Regulations No. 5-2012

Subject : **Binding effect of rulings issued prior to Tax Reform Act of 1997**

To : All Internal Revenue Officers and Others Concerned

Section 1. Background - Republic Act No. 8424, or The Tax Reform Act of 1997 (hereinafter referred to as the Tax Code of 1997), which was approved on December 11, 1997 has put in place the last phase of the comprehensive reform package on tax laws which took effect on January 1, 1998. Pursuant to Section 244, in relation to Section 4 of the Tax Code of 1997, these Regulations are being promulgated to establish the policy on the binding effect of rulings issued prior to the effectivity of the Tax Code of 1997 on January 1, 1998.

Section 2. Coverage. – All rulings issued prior to January 1, 1998 will no longer have any binding effect. Consequently, these rulings cannot be invoked as basis for any current business transaction/s. Neither can these rulings be used as basis for securing legal tax opinions/rulings.

Section 3. Repealing Clause. – All existing rules and regulations or parts thereof which are inconsistent with the provisions of these Regulations are hereby amended, repealed or revoked accordingly.

Section 4. Effectivity Clause. – These Regulations shall take effect immediately.

(Original Signed)
CESAR V. PURISIMA
Secretary of Finance

Recommending Approval:

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