

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

November 3, 2011

**REVENUE MEMORANDUM CIRCULAR NO. 51-2011**

**SUBJECT** : Circularizing Section 7 of Republic Act No. 9647 known as the  
“Philippine Normal University Modernization Act of 2009”

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

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For the information and guidance of all concerned, Section 7 of Republic Act (RA) No. 9647, otherwise known as “Philippine Normal University Modernization Act of 2009”, is hereby quoted as follows:

“Section 7. *Tax Exemptions.* – The provisions of any general or special law to the contrary notwithstanding:

- (a) All revenues and assets of the PNU used actually, directly and exclusively for educational purposes or in support thereof shall be exempt from all taxes and duties;
- (b) Gifts and donations of real and personal properties of all kinds shall be exempt from the donor’s tax and the same shall be considered as allowable deductions from the gross income of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended: *Provided*, That the allowable deductions shall be equivalent to one hundred fifty percent (150%) of the value of such donation. Valuation of assistance other than money shall be based on the acquisition cost of the property. Such valuation shall take into consideration the depreciated value of property in case said property has been used;
- (c) Importation of economic, technical, vocational, scientific, philosophical, historical and cultural books, supplies and materials duly certified by the Board, including scientific and educational computer and software equipment, shall be exempt from customs duties;
- (d) The University shall only pay zero percent (0%) Value Added Tax for all transactions subject to this tax; and
- (e) All academic monetary awards shall be exempt from taxes.”

RA No. 9647 was signed into law on June 30, 2009. The Implementing Rules and Regulations was made effective after it was published on July 28, 2009.

All concerned are hereby enjoined to be guided accordingly and to give this Circular as wide publicity as possible.

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

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