

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

September 28, 2011

**REVENUE MEMORANDUM CIRCULAR NO. 43-2011**

**SUBJECT :** Circularizing Section 19 of Republic Act No. 9679 known as the “Human Development Mutual Fund Law of 2009”  
**TO :** All Internal Revenue Officers and Others Concerned

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For the information and guidance of all concerned, Section 19 of Republic Act (RA) No. 9679 known as the “Home Development Mutual Fund Law of 2009”, otherwise known as Pag-IBIG (Pagtutulungan sa kinabukasan: Ikaw, Bangko, Industriya at Gobyerno) Fund”, is hereby quoted as follows:

*“SEC. 19. Exemption from Tax, Legal Process and Lien. - All laws to the contrary notwithstanding, the Fund and all its assets and properties, all contributions collected and all accruals thereto and income or investment earnings therefrom, as well as all supplies, equipment, papers or documents shall be exempt from any tax, assessment, fee, charge, or customs or import duty; and all benefit payments made by the Pag-IBIG Fund shall likewise be exempt from all kinds of taxes, fees or charges, and shall not be liable to attachments, garnishments, levy or seizure by or under any legal or equitable process whatsoever, either before or after receipt by the person or persons entitled thereto, except to pay any debt of the member to the Fund. No tax measure of whatever nature enacted shall apply to the Fund, unless it expressly revokes the declared policy of the State in Section 2 hereof granting tax exemption to the Fund. Any tax assessment against the Fund shall be null and void.”*

RA No. 9679 was signed into law on July 21, 2009. The Implementing Rules and Regulations was made effective on January 1, 2010 after its publication.

However, since the PAG-IBIG Fund is exempt from the documentary stamp tax imposed under Title VII of the National Internal Revenue Code of 1997, as amended, the other party to the taxable document who is not exempt, shall be the one directly liable to pay the said documentary stamp tax.

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