



Bringing In Revenues  
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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE



**BAGONG  
PILIPINAS**

AUG 08 2025

REVENUE REGULATIONS NO. **022-2025**

**SUBJECT:** Further Amending Pertinent Provisions of Revenue Regulations 17-2011 to Implement Section 9 of Republic Act (RA) No. 12214, Otherwise Known as the "Capital Markets Efficiency Promotion Act", on Additional Deduction of Qualified Employer's Actual Contributions Made to Personal Equity and Retirement Account (PERA) Under RA No. 9505, Otherwise Known as the "PERA Act of 2008"

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

**SECTION 1. SCOPE.** – Pursuant to Sections 244 and 245 of the National Internal Revenue Code of 1997, as amended (Tax Code), in relation to Section 9 of Republic Act (RA) No. 12214 otherwise known as the Capital Markets Efficiency Promotion Act (CMEPA), these Regulations are hereby promulgated to further amend Section 7(B) of Revenue Regulations (RR) No. 17-2011 by revising guidelines on the allowed deduction which the employer may claim from his/its qualified contribution to employee's Personal Equity and Retirement Account (PERA) under RA No. 9505, otherwise known as the PERA Act of 2008.

**SECTION 2. COVERAGE** – These Regulations shall cover qualified employer's actual contribution made to PERA on July 1, 2025 onwards.

**SECTION 3. ADDITIONAL DEDUCTION FROM GROSS INCOME FOR PRIVATE EMPLOYERS THAT CONTRIBUTE TO PERA** – Section 7(B)(II) of RR No. 17-2011, is hereby amended to read as follows:

*"Section 7. PERA Contributions and Tax Credit. -*

*A. Contributor's Qualified PERA Contribution*

xxx

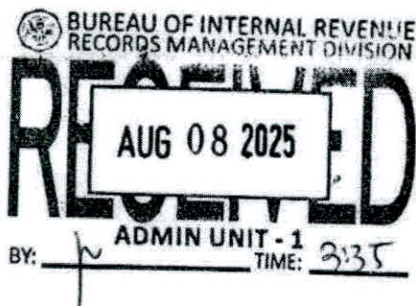
*B. Qualified Employer's Contribution to the Employee's PERA*

xxx

*I. On the part of the employee – xxx*

- II. On the part of the employer – The employer can claim the actual amount of its Qualified Employer's Contribution as a deduction from its gross income, but only to the extent of the employer's contribution that would complete the maximum allowable PERA contribution of an employee.*

*Further, private employers who make voluntary contributions to their employees' PERA shall be entitled to an additional deduction from their gross income equivalent to fifty percent (50%) of the amount contributed, subject to the following conditions:*



(a) Private employers must contribute an amount at least equal to the contributions of their employees, subject to the maximum allowable contribution under RR No. 17-2011, as amended by RR No. 7-2023; and

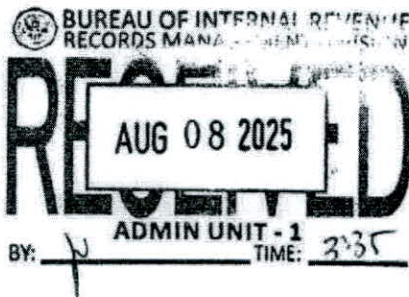
(b) Only private employers that contribute to **all of their employees' PERA** shall be eligible to the additional allowable deduction.

To determine that the condition stated in II (a) above is met, the employee must also have contributed to PERA within the same calendar year.

The Qualified Employer's Contribution, to the extent that it is allowable as deduction from gross income, shall likewise be exempt from withholding tax on compensation. For this purpose, the Administrator shall issue to the employer a certificate of the actual amount of Qualified Employer's Contributions.

For purposes of recording the employer's contribution corresponding to its share in the qualified employee's PERA, allowable as a deductible expense from gross income, the account shall be designated as 'Share in Qualified Employee's PERA Contribution'.

Full disclosure of the details of the share of the employer to the employees' PERA Contribution shall be part of the Notes to Financial Statements."



#### ILLUSTRATION:

Given:

ABC Company has five (5) employees **enrolled with PERA**. The maximum contribution for an Employee is ₱200,000.00 per year under RR No. 17-2011, as amended by RR No. 7-2023.

Employee No.	Employee's Own Contribution to PERA	Employer's Share after effectivity of CMEPA	Total PERA Contribution qualified for 5% Tax Credit Certificate (up to maximum allowed contribution per RR No. 7-2023)	Employer's Share Allowed for Deduction from Gross Income		
				Employer's deductible share per PERA Act	Amount of Additional deduction Allowed under CMEPA	Total Allowed Deduction to Gross Income
A	B	C	D	G	H	I
1	20,000.00	50,000.00	70,000.00	50,000.00	25,000.00	75,000.00
2	100,000.00	100,000.00	200,000.00	100,000.00	50,000.00	150,000.00
3	70,000.00	50,000.00	120,000.00	50,000.00	None	50,000.00
4	180,000.00	180,000.00	200,000.00	20,000.00	10,000.00	30,000.00
5	-	50,000.00	50,000.00	50,000.00	None	50,000.00
<b>Total</b>	<b>370,000.00</b>	<b>430,000.00</b>	<b>640,000.00</b>	<b>270,000.00</b>	<b>85,000.00</b>	<b>355,000.00</b>



In the above illustration, ABC Company is entitled to the one hundred percent (100%) deduction from its gross income for the contributions made to the PERA of Employee Nos. 1, 2, and 3 under PERA Act of 2008. Furthermore, pursuant to Section 34(M) of the Tax Code, as amended by Section 9 of CMEPA, ABC Company is entitled to an additional deduction equivalent to fifty percent (50%) of its PERA contributions for Employee Nos. 1 and 2 only. While ABC Company is not eligible for the additional fifty percent (50%) deduction for its contributions for Employee No. 3, since the amount it contributed is less than the amount contributed by the employee, it remains entitled to the one hundred percent (100%) deduction for said contributions to the employee's PERA under PERA Act of 2008.



With respect to Employee No. 4, ABC Company qualifies for both the one hundred percent (100%) deduction and the additional fifty percent (50%) deduction, but these deductions are limited to the amount necessary to complete the employee's maximum allowable PERA contribution of P200,000.00, as prescribed under existing revenue regulations. Accordingly, the computation of both deductions is based on the P20,000.00 contributed by the company, which completes the employee's allowable contribution threshold.

Finally, with respect to Employee No. 5, ABC Company is entitled to the one hundred percent (100%) deduction for its PERA contribution under PERA Act of 2008. It may also qualify for the additional fifty percent (50%) deduction, provided that the employee makes a qualified contribution to PERA within the same calendar year, and the company's contribution is at least equal or greater than the employee's contribution.

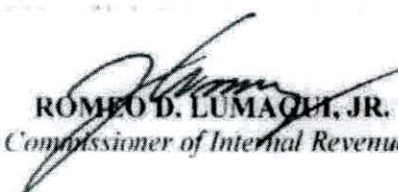

**SECTION 4. SEPARABILITY CLAUSE** – If any of the provisions of these Regulations is subsequently declared invalid or unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.



**SECTION 5. REPEALING CLAUSE** – All other issuances and rules and regulations or parts thereof which are contrary to and inconsistent with the provisions of these Regulations are hereby repealed, amended or modified accordingly.

**SECTION 6. EFFECTIVITY** – These Regulations shall take effect fifteen (15) days following its publication in the Official Gazette or the BIR Official Website, whichever comes first.

  
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RECORDS MANAGEMENT DIVISION  
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