

Philippines | Tax & Corporate Services | 12 February 2015



Tax in a Dot Hot and fresh!

Dear Valued Clients and Friends,

The President signed into law today the legislative measure increasing the tax-exempt ceiling for 13th month pay and other benefits from P30,000 to P82,000.

The P82,000 tax-exempt ceiling covers the 13th month pay, and other benefits such as productivity incentives and Christmas bonus received by employees. The term "other benefits" has also been defined under Revenue Regulations No. 2-98, as amended and in various BIR rulings to include loyalty award, mid-year productivity bonus, 14th month pay and the like, gifts in cash or in kind and other similar benefits received by an employee in a calendar year.

The increase shall be effective 15 days after its publication in at least two (2) newspapers of general publication.

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