



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE

Quezon City

September 14, 2020

REVENUE REGULATIONS NO. 23-2020

**SUBJECT:** Implementing Section 6 of Republic Act No. 11494, otherwise known as the “Bayanihan to Recover as One Act” on the Repeal of Tax on the Initial Public Offering (IPO) of Shares of Stocks Provided Under Section 127 (B) of the National Internal Revenue Code (NIRC) of 1997, As Amended

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

**SECTION 1. Scope.** – Pursuant to the provisions of Section 244 of the National Internal Revenue Code (NIRC), as amended, these Regulations are hereby promulgated to implement Section 6 of Republic Act (R.A.) No. 11494, otherwise known as the “Bayanihan to Recover as One Act”.

**SECTION 2. Repeal of Section 127(B) of the NIRC, As Amended.** Tax on shares of stocks sold, bartered, exchanged or other disposition through Initial Public Offering (IPO) provided under Section 127 (B) of the NIRC of 1997, as amended, is repealed. Thus, every sale, barter, exchange or other disposition through IPO of shares of stock in closely held corporations shall no longer be subject to the tax imposed under Section 127(B) upon the effectivity of RA No. 11494.

**SECTION 3. Repealing Clause.** All revenue rules and regulations and other revenue issuances or parts thereof, which are inconsistent with these Regulations are hereby repealed or modified accordingly.

**SECTION 4. Effectivity.** – These Regulations shall take effect immediately.

The Office of the National Administrative Registrar (ONAR) of the U.P. Law Center shall be provided with three (3) certified copies of this Revenue Regulations.


Recommending Approval:



CAESAR R. DULAY

Commissioner of Internal Revenue



  
CARLOS G. DOMINGUEZ  
Secretary of Finance

SEP 28 2020

