

**[ REVENUE REGULATIONS NO. 4-2018, January  
26, 2018 ]**

**RULES AND REGULATIONS IMPLEMENTING THE DOCUMENTARY  
STAMP TAX RATE ADJUSTMENT UNDER REPUBLIC ACT NO.  
10963, OTHERWISE KNOWN AS THE "TAX REFORM FOR  
ACCELERATION AND INCLUSION (TRAIN) LAW"**

*Adopted: 19 December 2017*

*Date Filed: 26 January 2018*

**SECTION 1. SCOPE.** - Pursuant to the provisions in Section 4 and Section 244 of Republic Act No. 8424 and Section 84 of Republic Act No. 10963, these regulations are hereby promulgated to implement the rate adjustment of documentary stamp taxes provided in Sections 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, and 70 in Republic Act No. 10963 otherwise known as the "Tax Reform for Accelerations and Inclusion (TRAIN) Law".

**SEC. 2. NEW RATE OF DST ON ORIGINAL ISSUE OF SHARES OF STOCKS. –**

*"SEC. 174. Stamp Tax on Original Issue of Shares of Stock - On every original issue, whether on organization, reorganization or for any lawful purpose, of shares of stock by any association, company, or corporation, there shall be collected a documentary stamp tax of two pesos (P2.00) on each Two hundred pesos (P200), or fractional part thereof, of the par value, of such shares of stock: Provided, That in the case of the original issue of shares of stock without par value, the amount of the documentary stamp tax herein prescribed shall be based upon the actual consideration for the issuance of such shares of stock: Provided, further, that in the case of stock dividends, on the actual value represented by each share."*

The rate of DST on the original issue of shares has been increased from One peso (P1.00) to Two pesos (P2.00) on each Two hundred pesos (P200), or fractional part thereof, of the par value of such shares of stock.

**SEC. 3. NEW RATE OF DST ON STAMP TAX ON SALES, AGREEMENTS TO SELL, MEMORANDA OF SALES, DELIVERIES OR TRANSFER OF SHARES OR CERTIFICATES OF STOCK.**

*"SEC. 175. Stamp Tax on Sales, Agreements to Sell, Memoranda of Sales, Deliveries or Transfer of Shares or Certificates of Stock. - On all sales, or agreements to sell, or memoranda of sales, or deliveries or transfer of such securities by assignment in blank, or by delivery, or by any paper or agreement, or memorandum or other evidences of transfer or sale whether entitling the holder in any manner to the benefit*

of such stock, or to secure the future payment of money, or for the future transfer of any stock, there shall be collected a documentary/stamp tax of One peso and Fifty centavos (P1.50) on each Two hundred pesos (P200), or fractional part thereof, of the par value of such stock: Provided, That only one tax shall be collected on each sale or transfer of stock from one person to another, regardless of whether or not a certificate of stock or obligation is issued, indorsed, or delivered in pursuance of such sale or transfer: and Provided, further, That in the case of stock without par value the amount of the documentary stamp tax herein prescribed shall be equivalent to Fifty percent of the documentary stamp tax paid upon the original issue of said stock."

The rate of DST on sales, agreements to sell, memoranda of sales, deliveries or transfer of shares or certificates of stock has been increased from Seventy-five centavos (P0.75) to One peso and fifty centavos (P1.50) on each Two hundred pesos (P200), or fractional part thereof, of the par value of such stock. In case of stocks without par value, the DST shall be equivalent to Fifty percent (50%) of the DST paid upon the original issue of said stock.

#### **SEC. 4, NEW RATE OF DST ON CERTIFICATES OF PROFITS OR INTEREST IN PROPERTY OR ACCUMULATIONS. –**

"SEC. 177. *Stamp Tax on Certificates of Profits or Interest in Property or Accumulations.* - On all certificates of profits or any certificate or memorandum showing interest in the property or accumulations of any association, company or corporation, and on all transfers of such certificates or memoranda, there shall be collected a documentary stamp tax of One peso (P1.00) on each Two hundred pesos, or fractional part thereof, of the face value of such certificates or memorandum."

The rate of DST on the Certificates of Profits or Interest in Property or Accumulations has been increased from Fifty centavos (P0.50) to One pesos (P1.00) on each Two hundred pesos, or fractional part thereof, of the face value of such certificates or memorandum.

#### **SEC. 5. NEW RATE OF DST ON BANK CHECKS, DRAFTS, CERTIFICATES OF DEPOSIT NOT BEARING INTEREST, AND OTHER INSTRUMENTS. –**

"SEC. 178. *Stamp Tax on Bank Checks, Drafts, Certificates of Deposit not Bearing Interest, and Other Instruments.* - On each bank check, draft, or certificate of deposit not drawing interest, or order for the payment of any sum of money drawn upon or issued by any bank, trust company, or any person or persons, companies or corporations, at sight or on demand, there shall be collected a documentary stamp tax of Three pesos (P3.00)."

The rate of DST on bank checks, drafts, certificates of deposit not bearing interest, and other instruments has been increased from One peso and Fifty centavos (P1.50) to Three pesos (P3.00)."

#### **SEC. 6. NEW RATE OF DST ON ALL DEBT INSTRUMENTS. –**

"SEC. 179. *Stamp Tax on All Debt Instruments.* - On every original issue of debt instruments, there shall be collected a documentary stamp tax of One peso and Fifty centavos (P1.50) on each Two hundred pesos (P200.00), or fractional part thereof, of the issue price of any such debt instruments: Provided, that for such debt instruments with terms of less than one (1) year, the documentary stamp tax to be collected shall be of a proportional amount in accordance with the ratio of its term in number of days to three hundred sixty-five (365) days: Provided, further, That only one documentary stamp tax shall be imposed on either loan agreement, or promissory notes issued to secure such loan.

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The rate of DST on all debt instruments is increased from One peso (P1.00) to One peso and Fifty centavos (P1.50) on each Two hundred pesos (P200.00), or fractional part thereof, of the issue price of any such debt instruments.

#### **SEC. 7. NEW RATE ON ALL BILLS OF EXCHANGE OR DRAFTS. -**

"SEC. 180. *Stamp Tax on All Bills of Exchange or Drafts.* - On all bills of exchange (between points within the Philippines) or drafts, there shall be collected a documentary stamp tax of Sixty centavos (P0.60) on each Two hundred pesos (P200.00) or fractional part thereof, of the face value of any such bill of exchange or draft."

The rate of DST on all bills of exchange or drafts has been increased from Thirty centavos (P0.30) to Sixty centavos (P0.60) on each Two hundred pesos (P200.00) or fractional part thereof, of the face value of any such bill of exchange or draft.

#### **SEC. 8. NEW RATE OF DST UPON ACCEPTANCE OF BILLS OF EXCHANGE AND OTHERS. -**

"SEC. 181. *Stamp Tax Upon Acceptance of Bills of Exchange and Others.*  
- Upon any acceptance of payment of any bill of exchange or order for the payment of money purporting to be drawn in a foreign country but payable in the Philippines, there shall be collected a documentary stamp tax of Sixty centavos (P0.60) on each Two hundred pesos (P200) or fractional part thereof, of the face value of any such bill of exchange, or order, or the Philippine equivalent of such value, if expressed in foreign currency."

The rate of DST on acceptance of bills of exchange and others all bills of exchange or drafts has been increased from Thirty centavos (P0.30) to Sixty centavos (P0.60) on each Two hundred pesos (P200.00) or fractional part thereof, of the face value of any such bill of exchange or draft, or the Philippine equivalent of such value, if expressed in foreign currency.

#### **SEC. 9. NEW RATE OF DST ON FOREIGN BILLS OF EXCHANGE AND LETTERS OF CREDIT.**

"SEC. 182. *Stamp Tax on Foreign Bills of Exchange and Letters of Credit.*  
- On all foreign bills of exchange and letter of credit (including orders, by telegraph or otherwise, for the payment of money issued by

express or steamship companies or by any person or persons) drawn in but payable out of the Philippines in a set of three (3) or more according to the custom of merchants and bankers, there shall be collected a documentary stamp tax of Sixty centavos (P0.60) on each Two hundred pesos (P200), or fractional part thereof of the face value of any such bill of exchange or letter of credit or the Philippine equivalent of such face value if expressed in foreign currency.”

The rate of DST on all bills of exchange or drafts has been increased from Thirty centavos (P0.30) to Sixty centavos (P0.60) on each Two hundred pesos (P200), or fractional part thereof, of the face value of any such bill of exchange or letter of credit or the Philippine equivalent of such face value, if expressed in foreign currency.

## **SEC. 10. NEW RATE OF DST ON LIFE INSURANCE POLICIES**

SEC. 183. *Stamp Tax on Life Insurance Policies* – On all policies of insurance or other instruments by whatever name the same may be called whereby any insurance shall be made or renewed upon any life or lives, there shall be collected a one-time documentary stamp tax at the following rates:

If the amount of insurance does not exceed P100, 000	Exempt
If the amount of insurance exceeds P100, 000 but does not exceed P300, 000	P20 . 00
If the amount of insurance exceeds P300, 000 but does not exceed P500, 000	P50 . 00
If the amount of insurance exceeds P500, 000 but does not exceed P750, 000	P100 . 00
If the amount of insurance exceeds P750, 000 but does not exceed P1, 000, 000	P150 . 00
If the amount of insurance exceeds P1, 000, 000	P200 . 00”

The rates of the DST on life insurance policies have been doubled.

## **SEC. 11. NEW RATE OF DST ON POLICIES OF ANNUITIES AND PRE- NEED PLANS. –**

“SEC. 186. *Stamp Tax on Policies of Annuities and Pre-Need Plans* - On all policies of annuities, or other instruments by whatever name the same may be called, whereby an annuity may be made, transferred or redeemed, there shall be collected a documentary stamp tax of One peso (P1.00) on each Two hundred pesos (P200), or fractional part thereof, of the premium or installment payment on contract price collected. On pre-need plans, the documentary stamp tax shall be Forty centavos (P0.40) on each Two hundred pesos (P200), or fractional part thereof, of the premium or contribution collected.”

The rate of DST on annuities has been increased from Fifty centavos (P0.50) to One peso (P1.00) on each Two hundred pesos (P200), or fractional part thereof, of the premium or installment payment on contract price collected. Pre-

need plans are now taxed at Forty centavos (P0.40) from the previous rate of Twenty centavos (P0.20).

#### **SEC. 12. NEW RATE OF DST ON CERTIFICATES. –**

"SEC. 188. Stamp Tax on Certificates. - On each certificate of damage or otherwise, and on every other certificate or document issued by any customs officer, marine surveyor, or other person acting as such, and on each certificate issued by a notary public, and on each certificate of any description required by law, or by rules or regulations of a public office, or which is issued for the purpose of giving information, or establishing proof of a fact, and not otherwise specified herein, there shall be collected a documentary stamp tax of Thirty pesos (P30.00)."

The rate of DST on certificates has been increased from Fifteen pesos (P15.00) to Thirty pesos (P30.00).

#### **SEC. 13. NEW RATE OF DST ON WAREHOUSE RECEIPTS. –**

"SEC. 189. Stamp Tax on Warehouse Receipts. - On each warehouse receipt for property held in storage in a public or private warehouse or yard for any person other than the proprietor of such warehouse or yard, there shall be collected a documentary stamp tax of Thirty pesos (P30.00): Provided, That no tax shall be collected on each warehouse receipt issued to any one person in any one calendar month covering property the value of which does not exceed Two hundred pesos (P200)."

The rate of DST on warehouse receipts has been increased from Fifteen pesos (P15.00) to Thirty pesos (P30.00).

#### **SEC. 14. NEW RATE OF DST ON JAI-ALAI, HORSE RACE, TICKETS, LOTTO, OR OTHER AUTHORIZED NUMBERS GAMES.**

"SEC. 190. *Stamp Tax on Jai-alai, Horse Race, Tickets, Lotto, or Other Authorized Numbers Games.* - On each jai-alai, horse race ticket, lotto, or other authorized numbers games, there shall be collected a documentary stamp tax of Twenty centavos (P0.20): Provided, That if the cost of the ticket exceed One peso (P1.00), an additional tax of Twenty centavos (P0.20) on every One peso (P1.00), or fractional part thereof, shall be collected."

The rate of DST on jai-alai, horse race, tickets, lotto, or other authorized number game has been increased from Ten centavos (P0.10) to Twenty centavos (P0.20); and if the cost of ticket exceeds One peso (P1.00), the additional tax has been increased from Ten centavos (P0.10) to Twenty centavos (P0.20) on every One peso (P1.00), or fractional part thereof.

#### **SEC. 15. NEW RATE OF DST ON BILLS OF LADING OR RECEIPTS –**

"SEC. 191. *Stamp Tax on Bills of Lading or Receipts.* - On each set of bills of lading or receipts (except charter party) for any goods, merchandise, or effects shipped from one port or place in the Philippines