REVENUE MEMORANDUM CIRCULAR NO. 30-2003 issued on May 21, 2003 clarifies Paragraph 1-Q of RMC No. 28-2003 relative to the imposition of the Value-Added Tax on income from sales of services by banks, non-bank financial intermediaries, finance companies and other financial intermediaries not performing quasi-banking functions. Under Paragraph 1-Q, income from sale of said services to BOI-registered export enterprise with 100% export sales and “PEZA-registered/Ecozone export enterprise” are subject to VAT at 0%.

“PEZA-registered/Ecozone export enterprises” refers to an enterprise registered either with PEZA or with other Ecozone as an export enterprise.

Zero-rating will only apply to services rendered by financial institutions that are directly related to the registered activity of the export enterprise. For purposes of implementation, the financial institution shall require the export enterprise to show proof that the transactions are in fact directly related to its registered activity and to submit a Sworn Statement attesting to such fact.