REVENUE REGULATIONS NO. 8-2008 issued on August 29, 2008 supplements Revenue Regulations (RR) No. 09-2004, as amended by RR No. 10-2004, by clarifying that the transactions of the Bangko Sentral ng Pilipinas (BSP) entered into in the exercise of its governmental/regulatory authority are outside of the coverage of the Gross Receipts Tax (GRT) imposed under Section Nos. 121 and 122 of the National Internal Revenue Code (NIRC) of 1997, as last amended by Republic Act (RA) No. 9337.

BSP, as the constitutionally-mandated independent central monetary authority, performs governmental functions in order to achieve its responsibilities and objectives, as prescribed under the 1987 Constitution and RA No. 7653. The activities engaged in, and transactions undertaken by the BSP are geared towards the attainment of its constitutional and statutory mandates, and not in pursuit of commercial or business activities.

Any revenues generated by the BSP from its operation will not transform such activities into a business undertaking. The GRT, being a tax imposed on the privilege to engage in business, is not imposable on the revenues generated by the BSP in the performance of its legally-mandated functions.

The imposition of GRT on banks, non-bank financial intermediaries performing quasi-banking functions, other non-bank financial intermediaries/financing companies and on persons performing similar banking or financing activities, as prescribed under Sections 121 and 122 of the NIRC, as amended, do not apply to the revenues realized by the BSP in the conduct of its operations in the pursuit of its legally-mandated functions.