

REVENUE REGULATIONS NO. 15-2022 issued on December 9, 2022 further amends certain provisions of Revenue Regulations (RR) No. 2-98 as amended by RR No. 11-2018, which implemented the provisions of Republic Act No. 10963 (TRAIN Law) relative to some changes in the rate of Creditable Withholding Tax under Section 57 of the Tax Code.

Said provision stated that “beginning January 1, 2019, the rate of withholding shall not be less than one percent (1%) but not more than fifteen percent (15%) of the income payment”.

Section 2 of RR 11-2018 on the amendments to Section 2.57.2 of RR 2-98, as amended, is hereby further amended to read as follows:

"SECTION 2.57.2. Income Payments Subject to Creditable Withholding Tax and Rates Prescribed Thereon. – Except as herein otherwise provided, there shall be withheld a creditable income tax at the rates herein specified for each class of payee from the following items of income payments to persons residing in the Philippines:

(A) xxx

xxx xxx xxx

(P) MERALCO Payments on the following:

(1) MERALCO Refund arising from the ERC Case No. 2020-043 RC Order promulgated on February 19, 2021 and ERC Case Nos. 2010-069 RC, 2011-088 RC, 2012-054 RC, 2013-056 RC, and 2014-029 RC Orders promulgated on April 29, 2022 - On gross amount of refund given by MERALCO to non-residential customers – Fifteen percent (15%)

(2) interest income on the refund of meter deposits determined, computed and paid in accordance with the "Rules to Govern Refund of Meter Deposits to Residential and Non-Residential Customers," as approved by the ERC under Resolution No. 12, Series of 2016, dated April 5, 2016 implementing Article 8 of the Magna Carta for Residential Electricity Customers and ERC Resolution No. 2005-10 RM (Otherwise known as DSOAR) dated January 18, 2006, exempting all electricity consumers from the payment of meter deposit.

On gross amount of interest paid directly to the customers or applied against the customer's billings:

(i) Residential and General Service customers whose monthly electricity exceeds 200 kwh as classified by MERALCO – Ten percent (10%)

(ii) Non-Residential Customers — Fifteen percent (15%)

(Q) Interest income on the refund paid through direct payment or application against customer's billings by other electric

Distribution Utilities (DUs) in accordance with the rules embodied in ERC Resolution No. 12, Series of 2016, dated April 5, 2016, governing the refund of meter deposits which was approved and adopted by ERC in compliance with the mandate of Article 8 of the Magna Carta for Residential Electricity Customers and Article 3.4.2 of DSOAR, exempting all electricity consumers, whether residential or non-residential, from the payment of meter deposit.

On gross amount of interest paid directly to the customers or applied against the customer's billings:

- (i) Residential and General Service customers whose monthly electricity consumption exceeds 200 kwh as classified by the concerned DU – *Ten percent (10%)*
- (ii) Non-Residential Customers – *Fifteen percent (15%)*

(R) xxx

xxx xxx xxx