



2018 Year Review

Philippine



PHILIPPINE LEGAL & TAX REVIEW FOR 2018

2018 was marked by the passage or effectively of important laws and regulations. We discuss a few of these important new rules below.

The year started out with the implementation of **Republic Act (“RA”) No. 10963 or the Tax Reform for Acceleration and Inclusion (also known as the TRAIN Law)** which amended the provisions of the Tax Code on income tax, value added tax, excise tax, donor’s tax and documentary stamp tax, among others. In May, the President signed into law **RA 11037 or which significantly amended the Anti-Red Tape Act of 2007**. Among its important provisions are those that set maximum response periods for government agencies with regard to applications for permits or authorizations. The failure of the responsible government entity to reply or decide within such periods will lead to the deemed approval of the request. **RA 11057 or the Personal Property Security Act (“PPSA”)** which was signed into law in August simplified the creation and perfection of security interests over personal property. It also created a registry of personal property used as security. The law is already in force but not yet implementable since the law specifically states that the establishment of the registry is a requirement for the implementation of its rules. It was also in August when **RA 11058 or the Occupational Safety and Health Standards Act** was signed by the President. The law imposes more stringent rules on the management of occupational and health issues confronting both blue and white collar workers. In December, **RA 11127, the National Payment Systems Act** became law. It provides rules for the regulation of payment systems or any process for the movement, transfer or circulation of funds and mandates the Bangko Sentral ng Pilipinas to control systemic risks arising from traditional and emerging payment systems.

Administrative agencies have also been quite busy with refining its rules and ensuring enforcement thereof. OS Law has helped its clients navigate the new rules promulgated by the **National Privacy Commission** and of the **National Competition Commission**. Our clients were also particularly concerned with the enhanced push by the **Department of Labor and Employment** to tighten subcontracting rules.

Read more:

[Expedited Approval of Energy Project Permits](#)

[Data Privacy, Job Contracting and Constitutional Law](#)

[Ease of Doing Business and Efficient Government Service Delivery Act of 2018](#)

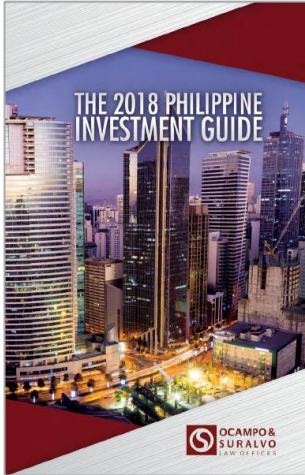
[Public Bidding Rules at the Dept of Transportation](#)

[National Privacy Commission Rules of Procedure : Advisory Opinions & Guidelines on Compliance Checks](#)

2019 EXPECTED DEVELOPMENTS

In 2019, Philippine businesses will need to watch out for possible changes to the rules imposing the corporate income tax and those that grant tax incentives to select industries. This next tax reform package has generated a lot of debate and failed to pass in 2018 but will continue to be pushed by the Department of Finance in 2019. It is also likely that a law granting a tax amnesty for individuals and corporates will be signed into law in the last days of 2018 or in early 2019. It is also important for businesses to anticipate the issuance of the implementing rules of the PPSA, not only so that these rules will be incorporated in future loan/security agreements but also for lenders to determine if agreements enacted prior to the implementation of the law will need to be amended to take advantage of the more favorable regime. Finally, the bill amending the Corporation Code will likely be signed into law and come into force by the first quarter of 2019.

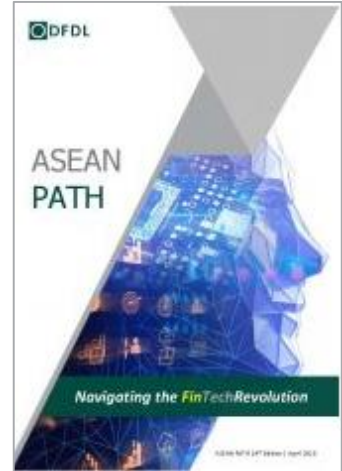
2018 PUBLICATIONS



Philippine Investment Guide



ASEAN Path #15 GDPR



ASEAN Path #14 FINTECH
REVOLUTION

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