



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 1165 Series of 2023

Subject: Amendments to the Ceiling on Interest or Finance Charges for Credit Card Receivables

The Monetary Board (MB), in its Resolution No. 55 dated 13 January 2023, approved the following amendments to the Manual of Regulations for Banks (MORB) and the Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) on the ceiling on interest or finance charges for credit card receivables.

Section 1. Section 312 of the MORB is hereby amended to read, as follows:

312 CREDIT CARD OPERATIONS

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Method of computing and imposition of interest or finance charges. Banks shall impose an interest or finance charge on all credit card transactions not to exceed an annual interest rate of thirty-six (36%) except credit card installment loans which shall be subject to monthly add-on rate not exceeding one (1) percent: *Provided, That* in the case of credit card cash advances, aside from the foregoing applicable maximum interest rate caps, no other charge or fee shall be imposed or collected apart from the processing fee in the maximum amount of Php200.00 per transaction; Such maximum processing fee and interest rates or finance charges shall be subject to review by Bangko Sentral every six (6) months.

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Section 2. Section 101-CC of the MORNBFI is hereby amended to read, as follows:

101-CC CREDIT CARD OPERATIONS; GENERAL POLICY

x x x

Method of computing and imposition of interest or finance charges. Credit card issuers shall impose an interest or finance charge on all credit card transactions not to exceed an annual interest rate of thirty-six (36%) except credit card installment loans which shall be subject to monthly add-on rate not exceeding one (1) percent: *Provided, That* in the case of credit card cash advances, aside from the foregoing applicable maximum interest rate caps, no other charge or fee shall be imposed or collected apart from the processing fee in the maximum amount of Php200.00 per transaction; Such maximum processing fee and interest rates or finance charges shall be subject to review by Bangko Sentral every six (6) months.

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Section 3. This Circular shall take effect 15 days following its publication either in the Official Gazette or in any newspaper of general circulation in the Philippines.

FOR THE MONETARY BOARD:


FELIPE M. MEDALLA
Governor

13 January 2023