NATIONAL ADMINISTRATIVE REGISTER · MAY 3, 1994

PROHIBITION TO PAY INTEREST ON DEMAND DEPOSITS

BSP CIRCULAR NO. 22, s. 1994, May 03, 1994

Read online (full-text search, related cases, audio case brief): https://batas.org/library/7c28b718a246/

The Monetary Board, in its Resolution No. 380 dated 22 April 1994, decided to lift the prohibition to pay interest on demand deposits and to amend the following:

1. Sections 1202, 2202 and 3202 of Books I to III of the Manual of Regulations for Banks and Other Financial Intermediaries, which shall now read as follows:

> "Interest on Demand Deposits. Demand deposits shall not be subject to any interest rate ceiling."

2. The pertinent parts of the Manual of Accounts of each type of bank, which shall now read as follows:

A. LIABILITY ACCOUNTS

1) Demand Deposits

> "This represents deposits subject to withdrawal by check which are otherwise known as current or checking accounts. The following sub-control accounts shall be maintained:
>
> xxx xxx xxx

2) Accrued Interest Payable

> "This represents the estimated liability for interest incurred/due but not yet paid on demand, savings and time deposits and on domestic borrowings, which shall be set up monthly against current operations."

B. INCOME ACCOUNTS

Interest — Deposits in Banks

> "This represents interest earned and credited to the bank's demand and savings deposits and interest earned and actually collected on time deposits in other banks. The following sub-control accounts shall be maintained:
>
> "Interest — Deposits in Local Banks
>
> "This represents interest earned and credited to the bank's demand and savings deposits and interest earned and actually collected on time deposits in local bank.
>
> xxx xxx xxx

C. EXPENSE ACCOUNTS

Interest on Demand Deposits (added immediately preceding the account title "Interest on Savings Deposits")

> "This represents payment and/or monthly accruals of interest on demand deposits."

This Circular shall take effect immediately.

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

Adopted: 3 May 1994

(SGD.) FELICIANO L. MIRANDA, JR.
Officer-In-Charge

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.