BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
9:11 A.M.
NOV 23 2012
RECEIVED

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

November 22, 2012

REVENUE MEMORANDUM CIRCULAR NO. 75-2012

SUBJECT : Clarifying Section 109(1)(R) of the National Internal Revenue Code of 1997, as amended, on the VAT Exemption of the Sale, Importation, Printing or Publication of Books, Newspapers, Magazines, Reviews or Bulletins

TO : All Internal Revenue Officers, Employees and Others Concerned

---

Section 109(1)(R) of the National Internal Revenue Code (NIRC) of 1997, as amended, provides:

> "SECTION 109. Exempt Transactions. — (1) Subject to the provisions of Subsection (2) hereof, the following transactions shall be exempt from the value-added tax:
>
> xxx
>
> (R) Sale, importation, printing or publication of books and any newspaper, magazine, review or bulletin which appears at regular intervals with fixed prices for subscription and sale and which is not devoted principally to the publication of paid advertisements;"

In relation thereto, the following clarifications are made to be exempted from VAT:

1. A newspaper, magazine, review or bulletin must be: (1) printed or published at regular intervals; (2) available for subscription and sale at fixed prices; and (3) are not principally devoted to the publication of paid advertisements.

2. The terms "*book*", "*newspaper*", "*magazine*," "*review*" and "*bulletin*" as used in the provision refer to printed materials in hard copies. They do not include those in digital or electronic format or computerized versions, including but not limited to: e-books, e-journals, electronic copies, online library sources, CDs and software.

All other issuance inconsistent herewith are hereby repealed or modified accordingly.

All revenue officers and employees are hereby enjoined to give this Circular as wide a publicity as possible.

This Circular takes effect immediately.

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

012801

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
9:11 A. M.
NOV 23 2012
RECEIVED