REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

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REVENUE MEMORANDUM CIRCULAR NO. 78-2014

SUBJECT : **Circularizing Clarifications on the Requirement of FDA Certification for the Feed Ingredients Enumerated in RMC 66-2014**

TO : All Revenue Officials and Employees Concerned

This Circular is being issued to clarify issues in the requirement and implementation of the Certification from the Food and Drug Administration (FDA) pursuant to RMC No. 66-2014.

RMC No. 66-2014 amending RMC 55-2014, cited specific feed ingredients that would necessitate the submission of a Certification from the FDA should any of them be the subject of a sale or importation in support of the value-added tax (VAT) exemption invoked under Section 109(1)(B) of the Tax Code of 1997, as amended. The list is exclusive as of date of the issuance.

However, the Bureau is not precluded from adding to the list such other feed ingredients and additives used in the manufacture of finished feeds that have possible utilization for human consumption and thereby removing it from the ambit of the VAT exemption provision.

Any addition to the enumeration should, as a matter of policy, necessitate the issuance of a revenue memorandum circular after due consultation with government agencies having the competence to make such determination.

The clause in RMC No. 66-2014— *"and such other feed ingredients and additives used in the manufacture of finished feeds which may hereinafter be determined by competent authority to have possible utilization for human consumption"*, should not be construed as giving the Revenue District Officers (RDOs) the discretion or authority to make a declaration of whether or not the feed ingredient subject of the sale or importation has possible utilization for human consumption.

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In sum, for purposes of complying with RMC No. 66-2014, the FDA Certification shall only be required for VAT exemption purposes for sale or importation of any of the six (6) enumerated feed ingredients used in the manufacture of finished feeds *(Whey Powder; Skimmed Milk Powder; Lactose; Buttermilk powder; Whole Milk Powder; and Palm Olein)* and that a revenue memorandum circular shall be issued for any subsequent addition to said enumeration.

All concerned are hereby enjoined to be guided accordingly and give this Circular as wide a publicity as possible.

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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