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

BUREAU OF INTERNAL REVENUE
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RECORDS MGT. DIVISION

July 09, 2020

REVENUE MEMORANDUM ORDER NO. 23-2020

SUBJECT : Issuance of an Authority to Release Imported Goods for Value-Added Tax Exemption on the Sales and Importation of Prescription Drugs and Medicines Pursuant to Section 1 of Republic Act No. 11467, further amending Section 109 (AA) of the National Internal Revenue Code of 1997, as amended, and as Implemented in Revenue Regulations No. 18-2020

TO : All Internal Revenue Officers and Others Concerned

This Order is being issued relative to the issuance of an Authority to Release Imported Goods (ATRIG) for Value-Added Tax (VAT) exemption on the sale and importation of prescription drugs and medicines for diabetes, high cholesterol, hypertension, cancer, mental illness, tuberculosis, and kidney diseases pursuant to Section 2 of Revenue Regulations No. 18-2020, with the following effectivity dates, to wit:

(i) Diabetes, high cholesterol, and hypertension beginning January 27, 2020[1]; and
(ii) Cancer, mental illness, tuberculosis, and kidney diseases beginning January 1, 2023.

For VAT purposes, the ATRIG shall be issued on all importations of articles exempt from VAT pursuant to Revenue Memorandum Order (RMO) No. 35-2002 dated October 28, 2002, which is currently being implemented by the Revenue District Office No. 33 – Intramuros-Ermita-Malate of Revenue Region No. 6 - Manila.

For consistency and uniformity, therefore, in the issuance of ATRIG for VAT-exempt transactions, the Revenue District Office No. 33 – Intramuros-Ermita-Malate shall process application for ATRIG by the manufacturers, distributors, wholesalers and retailers of drugs and medicines included in the "list of approved drugs and medicines" issued by the Department of Health (DOH). The policies, guidelines and procedures set forth in RMO No. 35-2002 shall be strictly followed and observed.

All issuances and/or portion thereof inconsistent herewith are hereby repealed, modified and amended accordingly.

This Order shall take effect immediately.

CAESAR R. DULAY
Commissioner of Internal Revenue

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[1] As clarified under Revenue Memorandum Circular No. 65-2020, the effectivity of R.A. No. 11467 shall take effect immediately after its complete publication in a newspaper of general circulation pursuant to Section 15 of RA No. 11467 or on January 27, 2020