REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
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JAN 15 2018
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January 5, 2018

REVENUE REGULATIONS NO. 3-2018

SUBJECT : Providing for the Revised Tax Rates on Tobacco Products Pursuant to the Provisions of Republic Act No. 10963, otherwise known as "Tax Reform for Acceleration and Inclusion (TRAIN) Law", Amending for the Purpose Revenue Regulations No. 17-2012

TO : All Internal Revenue Officers and Others Concerned.

SECTION 1. SCOPE. - Pursuant to the provisions of Section 244 in relation to Section 245 of the National Internal Revenue Code of 1997 (NIRC), as amended and Section 84 of Republic Act No. 10963, otherwise known as "Tax Reform for Acceleration and Inclusion (TRAIN) Law", these Regulations are hereby promulgated to provide for the revised tax rates on cigarettes, amending certain provisions of Revenue Regulations (RR) No. 17-2012.

SEC. 2. AMENDATORY PROVISIONS. – The provisions of Section 3 Items B(4) and B(5) of RR No. 17-2012 is hereby amended as follows:

"SEC. 3. REVISED RATES AND BASES OF THE SPECIFIC TAX. – There shall be levied, assessed and collected an excise tax on tobacco products, in accordance with the following schedule:

PRODUCT	DATE OF EFFECTIVITY OF TAX RATES				
	January 1, 2018 until June 30, 2018	**July 1, 2018 until December 31, 2019**	**January 1, 2020 until December 31, 2021**	**January 1, 2022 until December 31, 2023**	**January 1, 2024 onwards**
xxx					
B. TOBACCO PRODUCTS					
xxx					
	Per Pack	Per Pack	Per Pack	Per Pack	Effective 1/1/2024, the specific tax rate shall be increased by 4% every year thereafter
(4)Cigarettes packed by hand	Php 32.50	Php 35.00	Php 37.50	Php 40.00	
(5) Cigarettes packed by machine	Php 32.50	Php 35.00	Php 37.50	Php 40.00	
xxx					

SEC. 4. REPEALING CLAUSE. – All regulations, rulings or orders or portions thereof not consistent with the provisions of these Regulations are hereby revoked, repealed or amended accordingly.

SEC. 5. EFFECTIVITY CLAUSE. – These Regulations shall take effect immediately following its publication in a newspaper of general circulation.

CARLOS G. DOMINGUEZ
Secretary of Finance
JAN 11 2018

000716

Recommending Approval:

CAESAR R. DULAY
Commissioner of Internal Revenue
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BIR TRAIN IRR/RR Drafting Committee.