Bringing In Revenues
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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

BAGONG PILIPINAS

APR 17 2026

REVENUE REGULATIONS NO. 003 - 2026

SUBJECT : **Implementing Executive Order No. 114, Series of 2026 "Temporarily Suspending the Excise Taxes on Specific Petroleum Products Pursuant to Section 148 of Republic Act No. 8424 or the National Internal Revenue Code of 1997, As Amended"**

TO : **All Internal Revenue Officials and Others Concerned**

SECTION 1. BACKGROUND. – Section 148 of the National Internal Revenue Code of 1997, as amended (NIRC), provides that the President may, upon recommendation of the Development Budget Coordination Committee (DBCC), in coordination with the Secretary of Energy, suspend the imposition of, or reduce the excise taxes on fuel when the average Dubai crude oil price based on Mean of Platts Singapore (MOPS) reaches or exceeds Eighty US Dollars (USD 80.00) per barrel for one (1) month immediately preceding the issuance of the suspension or reduction order.

On April 16, 2026, President Ferdinand R. Marcos, Jr. issued Executive Order (EO) No. 114, Series of 2026 entitled "Temporarily Suspending the Excise Taxes On Specific Petroleum Products Pursuant To Section 148 of the Republic Act No. 8424 or the National Internal Revenue Code of 1997, As Amended".

Pursuant to the provisions of Section 244 in relation to Section 245 of the NIRC, and Section 6 of EO No. 114, series of 2026, this Revenue Regulations is hereby promulgated to implement the provisions of the EO temporarily suspending the imposition of excise taxes on Liquefied Petroleum Products (LPG), except when used as raw material for the production of petrochemical products or used for motive power, and Kerosene, except when used as aviation fuel, in accordance with Section 148 of the NIRC.

SEC. 2. SUSPENSION OF EXCISE TAXES. – Beginning April 17, 2026, the imposition of excise taxes on the following covered petroleum products is hereby suspended:

a. LPG, except when used as raw material for the production of petrochemical products or used for motive power; and

b. Kerosene, except when used as aviation fuel.

The suspension of excise taxes shall apply only to these petroleum products removed from the place of production or customs custody after the effectivity of the EO.

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SEC 3. DURATION OF THE TEMPORARY SUSPENSION AND AUTOMATIC REVERSION OF RATES. – The temporary suspension of excise taxes on the covered petroleum products shall be for a period of three (3) months from the effectivity of the EO. The suspension shall be subject to monthly review by the DBCC, which shall recommend to the President the continuation, modification, extension, or termination thereof.

The excise tax rates on the covered petroleum products shall automatically revert to the rates prescribed under Section 148 of the NIRC, without the need for further issuances, upon the occurrence of any of the following:

a. One (1) week after the one (1)-month average Dubai crude oil price based on MOPS falls below USD 80 per barrel, as certified by the Department of Energy; or

b. Upon expiration of the three months in the preceding paragraph.

SEC. 4. MONITORING AND INVENTORY REQUIREMENT– During the duration of the suspension, the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) shall submit to Congress a monthly report on the declared value and volume of the covered petroleum products based on:

a. For the BIR: Authorities to Release Imported Goods for imported petroleum products, and the Official Registry Books of manufacturers for locally-produced petroleum products.

b. For the BOC: Customs Entries filed in the E2M System.

Such monthly report shall be submitted every fifteenth day of the following month.

The Department of Finance (DOF), through the BIR and the BOC, shall conduct an inventory of existing stocks of LPG and kerosene as of the effectivity of the EO.

Revenue Officer On Premises (ROOPs) shall continue performing their duties of monitoring the activities of taxpayers in their establishments pursuant to Sections 5 and 6 of the NIRC, without prejudice to further legal action as the circumstances may warrant.

SEC 5. REPORTORIAL REQUIREMENTS. – For the effective implementation of the EO, the following guidelines shall be followed:

a. *Submission of Returns and Reports*:

i. Manufacturers of domestically-produced LPG and kerosene shall:

1. Continue to submit the corresponding tax returns with the BIR indicating the corresponding tax rate as "zero" with remarks "EO NO. 114, SERIES OF 2026". All other pertinent fields shall be filled out in the regular course of business; and

2. Submit the corresponding Official Register Books (ORBs) per removal of LPG and kerosene products.

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ii. Importers of LPG and kerosene products shall:

1. Continue to submit the corresponding tax returns to the BOC; and

2. Secure the corresponding Authority to Release Imported Goods (ATRIG) with remarks "EO NO. 114, SERIES OF 2026".

b. *Stock Inventories.* Concerned manufacturers, importers, and lessees of storage depots shall submit duly notarized inventories of all covered petroleum products as of April 16, 2026 to Excise LT Field Operations Division (ELTFOD) in the case of taxpayers registered within Revenue Region (RR) Nos. 4 (Central Luzon), 5 (CaMaNaVa and Bulacan), 6 (City of Manila and Palawan), 7A (Quezon City), 7B (East NCR) 8A (Makati City), 8B (South NCR), 9A (CaBaMiRo) and 9B (LaQueMar) or to the concerned Excise Tax Area (EXTA) in the case of taxpayers registered outside of RR Nos. 4 to 9B, within ten (10) days after the effectivity of the EO, in the prescribed format in Annex "A". These sworn statements shall likewise be subjected to verification as required under existing regulations and issuances.

c. *Issuance of Withdrawal Certificates.* All Withdrawal Certificates issued for the removal of covered petroleum products covered by the suspension shall be prominently stamped with the phrase "STOCKS COVERED BY EO No. 114, SERIES OF 2026".

SEC. 6. PENALTIES. — Violations of the provisions of these Regulations, including non-compliance with the reportorial requirements, shall be subject to the corresponding penalties provided for under Title X of the NIRC, and applicable regulations.

SEC. 7. REPEALING CLAUSE. — All rules and regulations inconsistent with the provisions of these Regulations are hereby repealed or amended accordingly.

SEC. 8. EFFECTIVITY. — These Regulations shall take effect immediately following its complete publication in the Official Gazette or in the BIR Official Website, whichever comes first.

FREDERICK D. GO
Secretary

Recommending Approval:

CHARLITO MARTIN R. MENDOZA
Commissioner of Internal Revenue

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ANNEX A

CERTIFICATE OF STOCK INVENTORY
PETROLEUM PRODUCTS

As of _____

REGISTERED NAME of MANUFACTURERS/ IMPORTERS/ LESSEES : _____

REGISTERED ADDRESS of HEAD OFFICE : _____

ADDRESS of FACILITY _____

ASSESSMENT NO. : _____

TAX IDENTIFICATION NO. (TIN) : _____

DATE & TIME OF STOCKTAKING : _____

PRODUCT DESCRIPTION	TANK NO.	UNIT OF MEASURE	CAPACITY	QUANTITY / BALANCE			EXCISE TAX PAID (YES/NO)
				ACTUAL INVENTORY	PUMPABLE	DEADSTOCK	

Last WC Issued :

I declare under penalty of perjury that the aforesaid information are true and correct.

Inventory counted/inspected & verified by:

TAXPAYER'S REPRESENTATIVE
(Signature over Printed Name) (Date)

Subscribed and sworn to before this _____ of _____, affiant exhibiting to me his/her _____

Doc no. _____
Page no. _____
Book no. _____
Series of _____

Conforme:

BIR REPRESENTATIVE
(Signature over Printed Name) (Date)

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