BUREAU OF INTERNAL REVENUE
RECEIVED
MAR 30 2020
5:30 PM
RECORDS MGT. DIVISION

Republic of the Philippines
Department of Finance
BUREAU OF INTERNAL REVENUE
National Office
Quezon City

March 27, 2020

REVENUE REGULATIONS NO. 6-2020

SUBJECT: IMPLEMENTING THE TAX EXEMPTION PROVISION OF REPUBLIC ACT NO. 11469, OTHERWISE KNOWN AS THE "BAYANIHAN TO HEAL AS ONE ACT"

TO: ALL INTERNAL REVENUE OFFICERS AND OTHERS CONCERNED

Section 1. OBJECTIVE. – Pursuant to Section 244 of the National Internal Revenue Code (NIRC) of 1997, as amended, the following regulations are hereby issued to implement the tax exemption provision under Section 4(o) of Republic Act (R.A.) No. 11469, otherwise known as the "Bayanihan to Heal as One Act".

Section 2. BASIS. – Under Section 2 of R.A. No. 11469, a state of national emergency had been declared over the entire country. Furthermore, paragraph 4(o) of the same law gave the President the power to adopt the following temporary emergency measure as an immediate response to the crisis brought by the COVID-19 pandemic:

> Liberalize the grant of incentives for the manufacture or importation of critical or needed equipment or supplies for the carrying-out of the policy declared herein, including healthcare equipment and supplies: *Provided*, That importation of these equipment and supplies shall be exempt from import duties, taxes and other fees; (Underscoring supplied)

Section 3. COVERAGE. – Based on the law, it is hereby declared that:

(a) The importation of critical or needed healthcare equipment or supplies intended to combat the COVID-19 public health emergency, including personal protective equipment (i.e. gloves, gowns, masks, goggles, face shields, surgical equipment and supplies); laboratory equipment and its reagents; medical equipment and devices; support and maintenance for laboratory and medical equipment, surgical equipment and supplies; medical supplies, tools, and consumables (i.e. alcohol, sanitizers, tissue, thermometers, hand soap, detergent, sodium hydrochloride, cleaning materials, povidone iodine, common medicines (e.g., paracetamol tablet and suspension, mefenamic acid, vitamins tablet and suspension, hyoscine tablet and suspension, oral rehydration solution, and cetirizine tablet and suspension); testing kits, and such other supplies or equipment as may be determined by the DOH and other relevant government agencies, shall be **EXEMPT** from value-added tax, excise tax and other fees.

(b) Importation of materials needed to make health equipment and supplies deemed as critical or needed to address the current public health emergency shall likewise be **EXEMPT** from value-added tax, excise tax and other fees, provided that the importing manufacturer is included in the Master List of the Department of Trade and Industry and other incentive granting bodies.

(c) The importation thereof shall not be subject to the issuance of Authority To Release Imported Goods (ATRIG) under Revenue Memorandum Order (RMO) No. 35-2002. Hence, the ATRIG shall not be necessary for the release of said goods from Bureau of Customs (BOC). Based on the BOC list of importers who made importations without any ATRIG, the BIR will conduct post investigation/audit.

(d) Donations of these imported articles to or for the use of the National Government or any entity created by any of its agencies which is not conducted for profit, or to any political subdivision of the said Government are **EXEMPT** from donor's tax, and subject to the ordinary rules of deductibility under existing rules and issuances.

Section 4. REPEALING CLAUSE. – Any rules and regulations, issuances or parts thereof inconsistent with the provisions of these regulations are hereby repealed, amended or modified accordingly during the effectivity of R.A. No. 11469, otherwise known as the "Bayanihan to Heal as One Act".

Section 5. EFFECTIVITY. – These regulations shall take effect immediately and shall be in full force only during the three (3) month effectivity of R.A. No. 11469, otherwise known as the "Bayanihan to Heal as One Act", unless extended or withdrawn by Congress or ended by Presidential Proclamation.

The Office of National Administrative Register (ONAR) of the UP Law Center shall be provided three (3) certified copies of this Revenue Regulations.

CARLOS G. DOMINGUEZ III
Secretary of Finance
MAR 30 2020

Recommending Approval:

CAESAR R. DULAY
Commissioner of Internal Revenue

033730

A-1

BUREAU OF INTERNAL REVENUE
RECEIVED
MAR 30 2020
5:30 PM
RECORDS MGT. DIVISION