REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
National Office Building
Quezon City

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REVENUE REGULATIONS NO. 7-2024

SUBJECT : Implementing Sections 113, 235, 236, 237, 238, 242, 243 of the National Internal Revenue Code of 1997, as Amended by Republic Act No. 11976, otherwise known as the "Ease of Paying Taxes Act", on the Registration Procedures and Invoicing Requirements

TO : All Internal Revenue Officers and Others Concerned

SECTION 1. ***Scope.*** – Pursuant to the provisions of Sections 244 and 245 of the National Internal Revenue Code of 1997, as amended (Tax Code), in relation to Section 47 of Republic Act (RA) No. 11976, otherwise known as the "Ease of Paying Taxes (EOPT) Act", these Regulations are hereby promulgated to implement the amendments on Registration Procedures and Invoicing Requirements Tax provisions.

SECTION 2. ***Definition of Terms.*** **–**

1. **Invoice** – it is a written account evidencing the sale of goods and/or services issued to customers in the ordinary course of trade or business. This includes Sales Invoice, Commercial Invoice, Cash Invoice, Charge/Credit Invoice, Service Invoice, or Miscellaneous Invoice. It is also referred to as a "principal invoice" and is categorized as follows:

   1.1 **VAT Invoice** – it is a written account evidencing the sale of goods, properties, services and/or leasing of properties subject to VAT issued to customers or buyers in the ordinary course of trade or business, whether cash sales or on account (credit) or charge sales. It shall be the basis of the output tax liability of the seller and the input tax claim of the buyer or purchaser.

   1.2 **Non-VAT Invoice** – it is a written account evidencing the sale of goods, properties, services and/or leasing of properties not subject to VAT issued to customers or buyers in the ordinary course of trade or business, whether cash sales or on account (credit) or charge sales. It shall be the basis of the Percentage Tax liability of the seller, if applicable.

   Invoice may also serve as a written admission or acknowledgement of the fact that money has been paid and received for the payment of goods or services.

2. **Supplementary Document** – is a written document, other than sales or commercial invoice, which serves as source of accounting entries in the books of accounts.

   This includes but not limited to official receipt, delivery receipt, order slip, debit and/or credit memo, purchase order, acknowledgement or cash receipt, collection receipt, bill of lading, billing statement, statement of account and any

other documents, by whatever name it is known or called, whether prepared manually (hand written information) or pre-printed/pre-numbered loose leaf (information typed using spreadsheet program or typewriter) or computerized as long as they are used in the ordinary course of business and being issued to customers or otherwise.

For purposes of VAT, Supplementary Documents are not valid proof to support the claim of input taxes by the buyers/purchasers of goods and/or services.

SECTION 3. ***Invoicing and Accounting Requirements for Value-Added Tax (VAT) Registered Persons under Section 113 of the Tax Code.*** –

All VAT-registered persons and those required to register for VAT shall comply with the following:

A. Invoicing Requirements

1. A VAT-registered person shall issue a duly registered VAT Invoice, for every sale, barter, exchange or lease of goods or properties, and for every sale, barter or exchange of services regardless of the amount of the transaction.

2. A VAT Invoice shall be issued as evidence of sale of goods and/or properties and sale of services and/or leasing of properties issued to customers in the ordinary course of trade or business, whether cash sales or on account (credit), which shall be the basis of the output tax liability of the seller and the input tax claim of the buyer.

B. Information Contained in a VAT Invoice – The following information shall be indicated in the VAT Invoice:

1. A statement that the seller is a VAT-registered person followed by the seller's Taxpayer Identification Number (TIN) and Branch Code (e.g., VAT Reg TIN 123-456-789-00000);

2. The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the VAT; provided that:

   2.1 The VAT amount is shown as a separate item;
   2.2 The term "VAT-Exempt Sale" is written or printed, if the sale is exempt from VAT;
   2.3 The term "Zero-Rated Sale" is written or printed, if the sale is subject to zero percent (0%) VAT;
   2.4 If the sale involves goods, properties or services some of which are subject to and some of which are VAT Zero-Rated or VAT-Exempt, the invoice shall clearly indicate the breakdown of the sale price between taxable, exempt and zero-rated components and the calculation of the VAT on each portion of the sale shall be shown on the invoice: Provided, that the seller may issue separate invoices for the taxable, exempt and zero-rated components of the sale.

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3. The date of transaction, quantity, unit cost and description of the goods or properties or nature of the service;

4. In the case of sales in the amount of One thousand pesos (₱1,000) or more where the sale or transfer is made to a VAT-registered person, the registered name or name, address and TIN of the purchaser, customer or client; and

5. Other information required under Section 6(B) of these Regulations.

C. Accounting Requirements – All persons subject to VAT under Sections 106 and 108 of the Tax Code shall maintain a subsidiary sales journal and subsidiary purchase journal on which the daily sales and purchases are recorded, in addition to the regular accounting records required.

D. Consequence of Issuing Erroneous VAT Invoice

1. All persons who are not VAT-registered and issued a VAT Invoice showing the person's TIN followed by the word 'VAT' or showing the information under Section 3(B)(1) of these Regulations, shall, in addition to other percentage taxes, be liable to (i) VAT imposed under Section 106 or 108 Tax Code, without the benefit of any input tax credit and (ii) a fifty percent (50%) surcharge under Section 248(B) of the Tax Code.

   The VAT shall be recognized as an input tax credit under Section 110 of the Tax Code, to the purchaser, buyer or receiver of erroneous VAT Invoice if all the required information under Section 3(B)(1) of these Regulations are shown on the invoice.

2. A VAT-registered person or seller issuing a VAT Invoice for a VAT-Exempt transaction, but fails to display the term 'VAT-Exempt Sale' or clearly provide a breakdown of the VAT-Exempt Sale on the invoice as provided for under Section 3(B)(2.4) of these Regulations, shall be liable for the VAT in Section 106 and 108 as if Section 109 of the Tax Code did not apply.

3. Lack of information required under Section 3(B) of these Regulations – If a VAT-registered person or seller issues a duly registered VAT Invoice to another VAT-registered person or buyer/purchaser with lacking information required under Section 3(B) of these Regulations, the seller or issuer shall be liable for non-compliance with the invoicing requirements. However, the VAT amount shall still be allowed to be used as an input tax credit under Section 110 of the Tax Code, on the part of the purchaser or buyer, except if the lacking information pertains to any of the following:

   a. Amount of sales;
   b. VAT amount;
   c. Registered name and TIN as shown on the Bureau of Internal Revenue (BIR) Certificate of Registration of both purchaser or buyer and issuer or seller;

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d. Description of goods or nature of services; and
e. Date of transaction.

SECTION 4. ***Preservation of Books of Accounts and Other Accounting Records under Section 235 of the Tax Code.*** **–**

A. Preservation

1. All Books of Accounts, including the subsidiary books and other accounting records of corporations, partnerships, or persons, shall be preserved by the taxpayer **for a period of five (5) years** reckoned from the day following the deadline in filing a return, or if filed after the deadline, from the date of the filing of the return, for the taxable year when the last entry was made in the Books of Accounts.

Type	5 years
1. Manual Books of Accounts and other accounting records	In hard copies
2. Manual Bound Loose Leaf Books of Accounts and other accounting records	In hard copies
3. Computerized Books of Accounts and other accounting records	In electronic copies

2. The term "other accounting records" includes the corresponding invoices, receipts, vouchers and returns, and other source documents supporting the entries in the Books of Accounts.

3. The term "last entry" refers to a particular business transaction or an item thereof that is entered or posted last or the latest in the Books of Accounts when the same was closed.

4. The foregoing notwithstanding, if the taxpayer has any pending protest or claim for tax credit/refund of taxes, and the books and records concerned are material to the case, the taxpayer is required to preserve the Books of Accounts and other accounting records until the case is finally resolved in support of their defenses and aid, even beyond the prescribed 5-year retention period.

5. Unless a longer period of retention is required under the Tax Code or other relevant laws, the independent Certified Public Accountant (CPA) who audited the records and certified the financial statements of the taxpayer, has the responsibility – similar to that of the taxpayer - to maintain and preserve electronic copies of the audited and certified financial statements including the audit working papers for a period of five (5) years from the due date of filing the annual income tax return or the actual date of filing thereof, whichever comes later.

6. Books of Accounts and Other Accounting Records shall be subject to examination and inspection by internal revenue officers; Provided, that for income tax purposes, such examination and inspection shall be made only once in a taxable year, except for the following cases:

   (a) Fraud, irregularity or mistakes, as determined by the Commissioner;

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(b) The taxpayer requests reinvestigation;

(c) Verification of compliance with withholding tax laws and regulations;

(d) Verification of capital gains tax liabilities; and

(e) In the exercise of the Commissioner's power under Section 5(B) of the Tax Code, to obtain information from other persons, another or separate examination and inspection may be made. Examination and inspection of Books of Accounts and other accounting records shall be done in the taxpayer's office or place of business or in the office of the BIR. All corporations, partnerships or persons that retire from business shall, within ten (10) days from the date of retirement or within such period of time as may be allowed by the Commissioner in special cases, submit their Books of Accounts, including the subsidiary books and other accounting records, to the Commissioner or any of his deputies for examination, after which they shall be returned. Corporations and partnerships contemplating dissolution must notify the Commissioner and shall not be dissolved until cleared of any tax liability.

7. Any provision of existing general or special law to the contrary notwithstanding, the Books of Accounts and other pertinent records of tax-exempt organizations or grantees of tax incentives shall be subject to examination by the BIR for purposes of ascertaining compliance with the conditions under which they have been granted tax exemptions or tax incentives, and their tax liability, if any.

B. Examination and Inspection

1. In general, all books, registers, records, vouchers and other supporting papers and documents prescribed by the BIR and other records kept by the taxpayers shall be preserved intact, unaltered and unmutilated and shall be kept at all times in the place of business of the taxpayer, subject to inspection by any internal revenue officer, and upon demand, the same must be immediately produced and submitted for inspection.

2. The books of accounts and other accounting records may be examined and inspected for purposes of audit, request for exchange of information by a foreign tax authority under Sections 6 and 71 of the Tax Code, and in the exercise of the Commissioner's power to obtain information under Section 5 of the Tax Code, among others.

3. Examination and inspection of Books of Accounts and other accounting records shall be done in the taxpayer's office or place of business or in the office of the BIR.

SECTION 5. ***Registration Requirements under Section 236 of the Tax Code.*** **–**

A. Manner and Time of Registration – Every person subject to any internal revenue tax shall register, either electronically or manually, with the Revenue District Office (RDO) as follows:

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1. **On or before the commencement of business** for Self-employed individuals, estates and trusts, corporations, and their branches, if any.

   Commencement of business shall be reckoned from the day when the first sale transaction occurred or upon the lapse of thirty (30) calendar days from the issuance of the Mayor's Permit/Professional Tax Receipt (PTR)/Occupational Tax Receipt (OTR) by Local Government Unit (LGU), or the Certificate of Business Name Registration (CBNR) issued by the Department of Trade and Industry (DTI), or the Certificate of Registration (COR) issued by the Securities and Exchange Commission (SEC), whichever comes first.

   A person shall be considered to have violated this provision when such person failed to register with the BIR within thirty (30) calendar days from the issuance of Mayor's Permit/PTR by the concerned LGU, or COR/CBNR issued by the SEC/DTI or the date of its first sales transaction prior to its registration with the BIR.

2. **Before payment of any tax due** for Corporations (Taxable or Non-taxable)/ One Time Transaction (ONETT).

   Parties to ONETT transactions who, at the time of their transaction, have not yet been issued a TIN shall apply for issuance thereof at the time of payment of the tax due. Such TIN issued to the party involved shall be permanent and may be updated for future transactions of such person with the BIR, e.g. subsequent employment, establishing a business, etc.

3. **Before or upon filing of any applicable tax return, statement or declaration** as required by the Tax Code for Corporations, Partnerships, Associations, Cooperatives, Government Agencies and Instrumentalities (GAIs).

4. **Within ten (10) days from date of employment for Employees.**

   Newly hired employees with no existing TIN are required to register through their employer via BIR's online registration system.

5. **Application under Executive Order (EO) No. 98, series of 1999.**

   Individuals required to secure TIN for their transactions with government agencies shall apply for their TIN online via BIR's online registration system or from BIR Revenue District Office having jurisdiction over the place of their residence, at any time before they complete their transaction with such government agency. TINs issued under EO No. 98, series of 1999, shall be permanent and may be updated for future transactions of such person with the BIR (e.g., subsequent employment, establishing a business, etc.).
   In any case, the Commissioner of Internal Revenue or his duly authorized representative may, for meritorious reasons, deny or revoke any application for registration.

B. **Place of Registration** – the following taxpayers shall be registered either electronically or manually, with the appropriate RDO.

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Type	Manner and Place of Registration
1. Self-employed individuals 1.1 Single Proprietors 1.2 Professionals in practice of profession	Online or manual registration at the RDO having jurisdiction over the place of business address. In case of professionals who do not have a physical place of business, registration shall either be online or manual means at the RDO having jurisdiction over the place of residence.
2. Corporations, Partnerships, Associations, Cooperatives, Government Agencies and Instrumentalities (GAIs), Non-individuals	Online or manual registration at the RDO having jurisdiction over the place of business address.
3. Nonresident Filipino Citizens, Nonresident Aliens, Nonresident Foreign Corporations Overseas Filipino Workers (OFW)/ Filipino Overseas Contract Workers (OCW) (not engaged in business)	Online registration or manual registration at RDO No. 39 – South Quezon City. Online or manual registration at the RDO having jurisdiction over the place of residence of the OFW/OCW.
4. Hired Employees 4.1 Local Employees 4.2 Resident Alien Employees 4.3 Nonresident Alien Employees (NRAE)	Online registration through employer or manual registration at the RDO having jurisdiction over the place of residence. In case of NRAE, registration shall be online or manual at RDO No. 39 – South Quezon City.
5. Executive Order (EO) No. 98	Online or manual registration at the RDO having jurisdiction over the place of residence of the applicant.
6. Non-registered Parties to a One-Time Transaction (ONETT) 6.1 Donation 6.2 Estate	Online or manual registration at the RDO having jurisdiction over the place of residence of the parties or where the corresponding tax return will be filed.

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Type	Manner and Place of Registration
6.3 Sale of real property 6.4 Sale of shares of stocks	
7. Estate 7.1 Engaged in business 7.2 Not engaged in business	RDO having jurisdiction of the place of the Head Office of the business of the decedent. Where the estate tax return will be filed.
8. Trust	RDO having jurisdiction over the registered address of the Trustee. Provided, however, that in case such Trustee is not registered, registration of the trust shall be made with the RDO having jurisdiction over the business address of the Trustee.
9. Branch and Facility	RDO having jurisdiction over the place of business address or location of the facility. In case of taxpayers under the jurisdiction of the Large Taxpayers Service, its branches and facilities shall be registered at the concerned Large Taxpayers (LT) Office/Division where the Head Office is registered.

In case of system downtime or technical issues or errors, manual application for registration shall be processed at the concerned BIR offices. In any case, the Commissioner of Internal Revenue may issue and change the manner of registration through revenue issuances or circulars for tax administration purposes.

The requirement of payment of Annual Registration Fee of Five Hundred Pesos (P500.00) for every separate or distinct establishment or place of business is repealed and shall no longer be applicable effective January 22, 2024.

The place of residence may refer to the taxpayer's legal residence, principal residence, current residence or permanent residence.

C. Registration of Business Taxpayers – All persons engaged in business or practice of profession, self-employed and professionals not under employer-employee relationship, juridical entities, online sellers/merchants including those engaged in providing digital goods and services, unless otherwise exempted, shall:

1. Register and secure a BIR Certificate of Registration (COR) by the prescribed deadline under Section 5(A) hereof;

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2. Comply with the invoicing requirements:
   a. For manual issuance of invoice – secure an Authority to Print (ATP) or avail of BIR Printed Invoice;
   b. For computer-aided issuance - secure Permit to use loose leaf invoice and ATP;
   c. For Computerized Accounting System (CAS) and/or components thereof - secure Acknowledgement Certificate (AC).

3. Comply with the bookkeeping requirements:
   a. For manual – register books of accounts;
   b. For Loose-leaf and CAS – register books of accounts within the prescribed period.

4. Secure "Notice to Issue Invoices"; and

5. Attend the taxpayer's initial briefing to be conducted by the respective RDOs to inform newly registered businesses of their rights and obligations.

The concerned RDO shall include the newly registered business taxpayers who registered electronically or manually in their monthly conduct of Tax Compliance Verification Drive (TCVD) after thirty (30) calendar days from the date of business registration to validate declarations in their applications and verify their existence.

All online sellers/merchants shall register with the BIR on or before the commencement of business in an e-markeplace platform in accordance with Section 236 of the Tax Code. Consequently, and in furtherance to the government's thrust to protect and uphold the interests of the buyers/consumers from trade malpractices, e-marketplace operators shall require from their respective sellers/merchants the submission of their Certificate of Registration (COR) or BIR Form No. 2303, and include the same as part of e-marketplace operators' minimum seller/merchant accreditation requirements.

D. Registration of Business Name – Each Business Name used, including the "store name" used in any online store or e-commerce platform, shall be registered with the BIR and shall be reflected in the BIR Certificate of Registration, provided, that each Business Name or "store name" is also registered with the Securities and Exchange Commission (SEC) or Department of Trade and Industry (DTI) as evidenced by a valid DTI Certificate of Business Name Registration or SEC Certificate of Registration or Articles of Incorporation or Partnership.

E. BIR Business Registration Date – The BIR Business Registration shall be reckoned from the date when the taxpayer registered its business and/or Business Name as reflected in the BIR Certificate of Registration.

F. Issuance of Certificate of Registration to Head Office, Branch and Facility– Subject to the provisions of Section 5(C) hereof, each Head Office, Branch and Facility shall be issued a Certificate of Registration or Electronic Certificate of Registration within the period/time prescribed in the BIR Citizen's Charter, upon submission of complete documentary requirements.

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Employees, ONETT taxpayers, individuals who have secured a TIN under EO No. 98 and/or non-business taxpayers, non-business Estate and Trust shall not be issued a Certificate of Registration.

A thirty pesos (₱30.00) Documentary Stamp Tax (loose DST) shall be paid upon issuance of BIR Certificate of Registration or Electronic Certificate of Registration.

G. **Posting of Certificate of Registration** – All persons subject to the provisions of Section 5(C) and (D) hereof shall post or exhibit their original COR/Electronic Certificate of Registration (eCOR) at the place where the business is conducted and at each branch and/or facility in a way that is clearly and easily visible to the public. In case of a peddler or other persons not having a fixed place of business, the COR/eCOR shall be kept in the possession of the holder thereof or at the place of residence or at the Head Office's address, if applicable, subject to production upon demand of any internal revenue officer.

H. **Posting of Proof of Registration on Online Websites, E-Commerce or E-Marketplace Seller/Merchant's Page and other Platforms** – All online businesses, sellers or merchants and service providers operating a business through a website, social media or any digital or electronic means, shall display conspicuously the electronic copy of the BIR Certificate of Registration on their website, seller/merchant's account or profile pages of the e-commerce platform or mobile application. The displayed proof of registration shall be easily accessible and visible to buyers or customers visiting the seller's merchant page or online/e-commerce shop.

I. **Registration of Each Type of Internal Revenue Tax** – Every person who is required to register with the BIR under Section 5(A) hereof, shall register each type of internal revenue tax for which such person is obligated; file a return and pay the tax due thereon, either electronically or manually; and update such registration of any changes thereof.

J. **Cancellation of Registration** – The registration of any person shall be cancelled upon mere filing, either electronically or manually, of an application for registration information update in a form prescribed therefor with the RDO where such person is registered. However, this shall not preclude the Commissioner of Internal Revenue or his authorized representative from conducting an audit in order to determine any tax liability.

K. **Transfer of Registration** – In case a registered person decides to transfer the place of business or head office or branch/es, it shall be the person's duty to update the registration status by merely filing, either electronically or manually, an application for registration information update in the form prescribed therefor: Provided, however, that if the transferring registered person is subject of an audit investigation, the RDO which initiated the audit investigation shall continue the same.

1. **Transfer of Registration of Non-business Taxpayers** – Taxpayers not engaged in business may submit their application for transfer of registration, either manually or via BIR online registration system, at the new RDO having jurisdiction over the place of residence of the taxpayer. In case of individuals who are registered as non-business taxpayers and subsequently applies for registration of business, the

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application for business registration shall be directly submitted to the new RDO having jurisdiction over the business address.

2. **Transfer of Registration of Business Taxpayers** – Taxpayers engaged in business may submit their application for transfer of registration, either manually or via BIR online registration system at the current RDO where the taxpayer is registered. All open-cases/stop-filer cases shall be settled at the new RDO, except for those who are subject to audit investigations in which case any audit findings including open-cases/stop-filer cases shall be settled at the RDO which initiated the same. Thus, taxpayers with open-cases/stop-filer cases who are not subject to audit investigations shall be transferred to the new RDO within the prescribed period together with its open-cases/stop-filer cases.

   The concerned taxpayer shall secure a new BIR Certificate of Registration from its new RDO. The new RDO shall include all newly transferred business taxpayers in its monthly TCVD after thirty (30) days from the issuance of new BIR Certificate of Registration.

L. **Unlawful Pursuit of Business** – Any person who carries on or engages in any business and is not duly registered with the BIR shall, upon conviction for each act or omission, be punished in accordance with the penalty provided in Sec. 258 of the Tax Code.

SECTION 6. ***Issuance of Invoices under Section 237 of the Tax Code.*** –

A. Issuance –

1. All persons subject to an internal revenue tax shall, at the point of each sale and transfer of merchandise or for services rendered valued at Five hundred pesos (₱500.00) or more, issue duly registered invoices, showing the name, Taxpayer Identification Number (TIN), date of transaction, quantity, unit cost and description of merchandise or nature of service.

   The ₱500.00 amount shall be adjusted to its present values every three (3) years using the consumer price index, as published by the Philippine Statistics Authority (PSA).

2. The seller shall issue Invoice when the buyer so requires regardless of the amount of transaction. Provided, however, that if the sales amount per transaction is below the threshold but the aggregate sales amount at the end of the day is at least five hundred pesos (₱500.00), the seller will issue one (1) invoice for the aggregate sales amount for such sales at the end of the day: Provided, finally, that VAT-registered persons shall issue duly registered invoice regardless of the amount of the sale and transfer of merchandise or for services rendered.

3. The word "Invoice" shall be printed on the face of the invoice to be issued to buyers or customers. The term Cash Sales or Charge Sales, at the seller's option, can be indicated in the Invoice as checkboxes to reflect the type of transactions. However, should the taxpayer opt to have a separate set of invoices for cash sales or charge sales, the word "Invoice" maybe printed indicating the transactions that will be issued such invoices. E.g. Cash Invoice, Charge Invoice/Credit Invoice, Billing

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Invoice, Service Invoice, etc. Provided, that the word "Invoice' is prominently printed or larger than the word describing the transaction.

4. Considering that the Ease of Paying Taxes Act no longer requires the issuance of Official Receipts, it operates to establish the Invoice as the primary evidence for both sales of goods and services. The taxpayer, however, may issue Official Receipt, Collection Receipt or Payment Receipt as supplementary document showing proof of payment. To promote ease of doing business, the remaining unused Official Receipts can still be used at the option of the taxpayer, pursuant to Section 8(2) of these Regulations.

B. Information Contained in the Invoice – The Invoice shall contain the following information:

1. Taxpayer (Seller) Registered name as shown in BIR Certificate of Registration;

   At the option of the taxpayer, in addition to its BIR-registered name, the taxpayer may choose to add its DTI Registered Business Name or Trade Name in SEC Articles of Incorporation/Partnership/Certificate of Incorporation of the taxpayer (seller).

2. A statement that the seller is a VAT or Non-VAT registered person followed by the seller's Taxpayer Identification Number (TIN) and Branch Code (e.g. VAT Reg TIN 123-456-789-00000, Non-VAT Reg TIN 987-654-321-00000);

3. Registered business address where the invoice shall be used;

4. The term Invoice is printed or included (e.g. Sales Invoice, Commercial Invoice, Cash Invoice, Charge Invoice, Credit Invoice, Service Invoice or any similar description followed by the word "Invoice");

5. Date of transaction;

6. Space provided for the registered name, registered business address and TIN of the buyer. If the sale of goods or services are directly between a business and consumers [Business-to-Consumer (B2C)] who are the end-users of its products or services, the, business address and TIN of the buyer are not required to be included;

7. Serial number printed prominently;

8. Quantity;

9. Unit cost;

10. Description of the goods or properties or nature of the service;

11. Total amount of sale. If VAT-registered, VAT is included in the total amount;

12. The VAT amount shall be shown as a separate item;

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13. If the VAT taxpayer is engaged in mixed transactions, the sales involved shall be broken down into: VATable Sales, VAT Amount, Zero Rated Sales, and VAT Exempt Sales.

14. If the VAT taxpayer opts to issue separate invoices for the VATable sale, exempt and zero-rated components of the sale, the term 'VAT-Exempt Sale' is written or printed if the sale is exempt from VAT; or term 'Zero-rated Sale' is written or printed if the sale is subject to zero percent (0%) VAT.

15. For supplementary documents such as official receipts, delivery receipts, order slips, purchase orders, acknowledgment receipts, collection or cash receipts, credit/debit memo, job orders and other similar documents that form part of the accounting records of the taxpayer and/or issued to their customers, it is required, in addition to the above-enumerated applicable information, that the phrase "THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAX." in bold letters, be conspicuously printed at the face of such supplementary documents.

16. Taxpayers whose transactions are not subject to VAT or percentage tax shall issue Non-VAT Invoice indicating at the face of such invoice the word "EXEMPT".

17. If the taxpayer is not VAT-registered and is subject to percentage tax under Title V of the Tax Code, but sells goods/services under Section 109 (A) to (CC) except (E) of the same Section, then the Non-VAT Invoice shall indicate the breakdown of Sales Subject to Percentage Tax (SSPT) and Exempt Sales.

18. For taxpayers transacting with (1) Senior Citizen/s (SC/s) and/or Person/s with Disability (PWD) pursuant to RA No. 7432, as amended and RA No. 7277, as amended, respectively; (2) National Athletes and Coaches (NAAC) pursuant to RA No. 10699; (3) Solo Parent pursuant to RA No. 8972, as amended; and (4) Medal of Valor (MOV) Awardee or his/her dependents pursuant to RA No. 9049, it is required that - in addition to the information enumerated above, a space for the following be provided:

    i. SC ID No. or any other government issued ID showing the name, picture, date of birth and nationality/PWD ID No./Philippine National Sports Team (PNSTM) ID No./Solo Parent ID No./MOV ID or MOV Dependent ID No.;

    ii. Amount of discount showing detailed breakdown of the 5% or 20% discount and 12% VAT Exemption, whichever is applicable;

    iii. Signature of the Senior Citizen/PWD/NAAC/Solo Parent/MOV Awardee or his/her qualified dependent: Provided, that for qualified purchases made by Senior Citizens/PWDs online or through mobile application, their physical signatures in the Invoice are not required.

19. The following information shall be printed at the bottom portion of the manual Invoices:

    i. ATP Number/Outbound Correspondence Number (OCN), date issued;

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ii. BIR Permit Number (if loose leaf Invoice);

iii. Approved inclusive serial numbers of Invoice;

20. The following information shall be printed at the top or bottom portion of the Invoices generated from Cash Register Machine (CRM)/Point of Sale Machine (POS)/Other Similar Machines or Software:

Top portion:

i. Machine Identification Number (MIN);

ii. Serial Number of the CRM/POS machine (if branded machine) and/or the Serial Number of the Hard Disk Drive and/or Software License Number (if cloned machine);

iii. For reprinting of invoice, the word "REPRINT" should be prominently indicated;

Bottom portion:

i. BIR Final Permit to Use (PTU) Number.

21. The following information shall be printed at the top or bottom portion of the Invoices of the system-generated from Computerized Accounting System (CAS), Computerized Books of Accounts (CBA) with Accounting Record and/or its Components and Other Similar System:

Top portion:

i. For reprinting of invoice, the word "REPRINT" should be prominently indicated;

Bottom portion:

i. BIR Permit to Use (PTU) Number or Acknowledgement Certificate Control Number (ACCN);

ii. Series range to be used; and

iii. Date Issued (mm/dd/yyyy).

C. **Tickets and other Similar Forms as Invoice** – Tickets, such as transportation tickets, event tickets, amusement tickets, movie tickets, parking tickets, raffle tickets, gaming/gambling tickets, electronic tickets, and other similar tickets, regardless of form or name, including those issued by ticketing machines, shall serve as both an invoice and proof of payment, if the word "Invoice" is printed therein and it contains all the required information outlined in Section 6(B) hereof. Otherwise, the same shall be considered as supplementary document and a separate invoice shall still be issued therefor.

SECTION 7. ***Printing of Invoices under Section 238 of the Tax Code.*** **–**

1. All persons, whether private or government, who are engaged in business and will use manual invoices shall secure/apply from the BIR an Authority to Print (ATP) principal

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and supplementary documents free of charge, before an Accredited Printer of Invoices can print the same.

National Government Agencies (NGAs), Government Owned and Controlled Corporation (GOCCs) and Local Government Units (LGUs) engaged in proprietary functions shall apply for ATP in the printing of their principal and supplementary documents.

2. No authority to print invoices shall be granted unless the invoices to be printed are serially numbered and shall show, among other things, the name, TIN and business address of the person or entity to use the same, and such other information set forth under these Regulations.

3. All persons or Accredited Printers who print invoices shall maintain a logbook/register of taxpayers who availed of their printing services. The logbook/register shall contain the following information:

    a. Names, TIN of the persons or entities for whom invoices were printed; and

    b. Number of booklets, number of sets per booklet, number of copies per set and the serial numbers of the invoices in each booklet.

SECTION 8. ***Transitory Provisions.*** **–**

1. **Certificate of Registration (COR) reflecting the Registration Fee** – Business taxpayers are not required to replace its existing BIR Certificate of Registration that includes Registration Fee. The COR shall retain its validity although the Registration Fee is shown therein, and taxpayers are no longer required to pay the Annual Registration Fee. Updating the COR is only necessary if there are changes to the registration information, excluding the Registration Fee, reflected on the COR.

2. **Unused Official Receipts** –

    2.1 **Taxpayer to continue the use of remaining Official Receipts as supplementary document.** – All unused or unissued Official Receipts may still be used as supplementary document until fully consumed, provided that the phrase "THIS DOCUMENT IS NOT VALID FOR CLAIM OF INPUT TAX." is stamped on the face of the document upon effectivity date of these Regulations. The Official Receipt, along with other equivalent documents such as Collection Receipt, Acknowledgement Receipt and Payment Receipt are all the same, serve as proof of payment that cash has been received or that payment has been collected/made for goods and/or services.

    2.2 **Taxpayer to convert and use the remaining Official Receipts as Invoice.** – For ease of doing business, taxpayers shall be allowed to strikethrough the word "Official Receipt" [e.g. ~~Official Receipt~~] on the face of the manual and loose leaf printed receipt and stamp "Invoice", "Cash Invoice", "Charge Invoice", "Credit Invoice", "Billing Invoice", "Service Invoice", or any name describing the transaction, and to be issued as primary invoice to its buyer/purchaser until

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December 31, 2024. These documents shall be valid for claim of input tax by the buyer/purchaser for the period issued from January 22 to December 31, 2024, provided that the invoice to be issued bears the stamped "Invoice" and contains information required under Section 6(B) of these Regulations. The converted Invoice as defined in Section 2 hereof can serve as proof of sales transaction and proof of payment at the same time. Any Official Receipts, whether stamped with "Invoice" or unstamped, issued after December 31, 2024, will be considered supplementary documents as provided in Section 8(2.1) of hereof and ineligible for input tax claims.

The stamping of official receipts as invoices by taxpayers does not require approval from any Revenue District Offices/LT Offices/LT Divisions but must comply with Section 8(2.3) hereof. Taxpayers should obtain newly printed invoices with an Authority to Print (ATP) before fully using or consuming the converted Official Receipts or before December 31, 2024, whichever comes first.

2.3 **Reportorial Requirement of Unused Official Receipts to be Used as Invoice Upon Effectivity of these Regulations** – All unused manual and loose leaf Official Receipts to be converted as Invoice shall be reported by submitting an inventory of unused official receipts, indicating the number of booklets and corresponding serial numbers within thirty (30) days upon effectivity of these Regulations, to the RDO/LT Office/LT Division where the Head Office or Branch Office is registered, in duplicate original copies. The receiving Branch RDO shall transmit the Original copy to the Head Office RDO and retain the duplicate copy.

3. **Cash Register Machines (CRM) and Point-of-Sales (POS) Machines and E-receipting or Electronic Invoicing Software** – Taxpayers using CRM/POS/E-receipting/E-invoicing may change the word "Official Receipt (OR)" to "Invoice", "Cash Invoice", "Charge Invoice", "Credit Invoice", "Billing Invoice", "Service Invoice", or any name describing the transaction, without the need to notify the Revenue District Office(s) having jurisdiction over the place of business of such sales machines, since the reconfiguration shall be considered as minor system enhancement which shall not require the reaccreditation of sales software/system on the part of the software supplier nor the reissuance of the Permit to Use on the part of the taxpayer-user. Provided further, that the serial number of the renamed Invoice shall start by continuing the last series of the previously approved Official Receipt and shall submit notice, indicating the starting serial number of the converted Invoice, to the RDO/LT Office/LT Division where the machines are registered, in duplicate original copies. The receiving Branch RDO shall transmit the duplicate copy to the Head Office RDO.

   Taxpayers that are using duly registered Computerized Accounting System (CAS) or Computerized Books of Accounts (CBA) with Accounting Records need to revisit their system to comply with the provisions of the EOPT Act. Since the system reconfiguration will have a direct effect on the financial aspect, it shall be considered as major enhancement which will require taxpayer to update their system registration following the existing policies and procedures of filing a new application. The previously issued Acknowledgement Certificate (AC) or Permit to Use shall be surrendered to the RDO where the concerned taxpayer is registered, and a new AC shall be issued to the Head Office/Branch(es). The required Annex of the AC shall indicate

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all the branches (if applicable) that are using the said system/software and the sets of series of accountable forms (Invoice) to be used by each of the branches, if applicable.

In order to provide ample time in reconfiguring machines and systems, adjustments shall be undertaken on or before June 30, 2024. Any extension due to enhancements of system shall seek approval from the concerned Regional Director or Assistant Commissioner of the Large Taxpayers Service which shall not be longer than six (6) months from the effectivity of these Regulations.

Documents issued by CRM/POS, **e-receipting or electronic invoicing software** containing the word "Official Receipt" beginning the effectivity of these Regulations shall not be considered as valid for claim of input tax by the buyer/purchaser.

Issuance of "Official Receipt" for the sale of goods or services after June 30, 2024 will not be considered as evidence of sales of goods or services and shall be tantamount to failure to issue or non-issuance of Invoice required under Section 6(A) hereof subject to penalty of not less than One Thousand Pesos (Php 1,000.00) but not more than Fifty Thousand Pesos (Php 50,000.00) and suffer imprisonment of not less than two (2) years but not more than four (4) years pursuant to Section 264(a) of the Tax Code.

SECTION 9. ***Separability Clause.*** – If any of the provisions of these Regulations is subsequently declared invalid or unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

SECTION 10. ***Repealing Clause.*** — All other issuances and rules and regulations or parts thereof which are contrary to and inconsistent with any provisions of these Regulations are hereby repealed, amended, or modified accordingly.

SECTION 11. ***Effectivity.*** – These Regulations shall take effect fifteen (15) days following its publication in the Official Gazette or the BIR official website, whichever comes first.

RALPH G. RECTO
Secretary of Finance
APR 08 2024

Recommending Approval:

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

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