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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE

National Office Building  
Quezon City



NOV 12 2025

REVENUE MEMORANDUM CIRCULAR NO. 105 - 2025

**SUBJECT :** Clarifying the Taxability of Health Emergency Allowance Granted Under Republic Act No. 11712, Otherwise Known as the "Public Health Emergency Benefits and Allowances for Health Care Workers Act"

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

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**Section 1. Background and Purpose.** - This Revenue Memorandum Circular is issued in order to clarify the taxability of the allowance granted under Republic Act (RA) No. 11712, otherwise known as the "*Public Health Emergency Benefits and Allowances for Health Care Workers Act*".

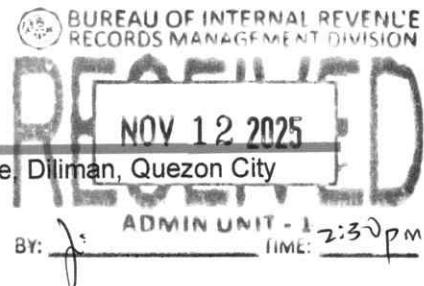
Section 5 of the said law grants Health Emergency Allowance (HEA) for every month of service during the state of public health emergency based on the risk exposure categorization to all health care and non-health care workers, regardless of employment status, during the COVID-19 or other public health emergencies of national scale that may be declared in the future, from the time of the declaration of the public health emergency until its lifting by the President. The minimum amounts which shall be granted for every month of service during the State of Public Health Emergency are as follows:

Area of Deployment	Amount of HEA
Low Risk Areas	At least Three thousand pesos (P3,000.00)
Medium Risk Areas	At least Six thousand pesos (P6,000.00)
High Risk Areas	At least Nine thousand pesos (P9,000.00)

The same Section of RA No. 11712 provides that the HEA shall be released monthly in addition to the existing benefits that the covered health care and non-health care workers received.

**Section 2. Coverage.** - This Circular shall apply to the HEA given to all health care and non-health care workers, regardless of employment status, during the COVID-19 or other public health emergencies of national scale that may be declared in the future, from the time of the declaration of the public health emergency until lifted by the President, in accordance with RA No. 11712.

**Section 3. Taxability of HEA.** - The HEA shall be released in full if a health worker or non-health care worker physically renders services for at least ninety-six (96) hours in a month; otherwise, the benefit shall be prorated.



As to its taxability, the HEA shall be treated as part of the "other benefits" pursuant to Section 32 (B) (7) (e) of the National Internal Revenue Code of 1997, as amended (Tax Code), which provides that gross benefits received by officials and employees of public and private entities not exceeding Ninety thousand pesos (₱ 90,000.00) are exempt from income tax.

Accordingly, the grant of HEA to covered public or private healthcare workers or non-healthcare workers, pursuant to an employer-employee relationship, regardless of employment status, may be excluded from the gross income and is not subject to income tax. *Provided*, that it falls within the threshold of ₱ 90,000.00 under Section 32 (B) (7) (e) of the Tax Code.

However, for individuals engaged under contracts of service and job orders, there exists no employer-employee relationship between the hiring agency and hired healthcare workers or non-healthcare workers. In such a case, the covered public or private healthcare workers or non-healthcare workers are considered to be self-employed professionals or independent contractors. Thus, the HEA shall be subject to income tax and other applicable taxes in accordance with the provisions of the Tax Code, and to the registration and compliance requirements under Revenue Memorandum Circular No. 51-2018.<sup>1</sup>

**Section 4. Administrative Requirement.** - Covered persons granted with HEA shall be included in the Alphabetical List of Employees/Payees being submitted annually by employers/payors pursuant to existing regulations.

All internal revenue officers, employees and others concerned are enjoined to give this Circular as wide a publicity as possible.

This Circular shall take effect immediately.



**ROMEO D. LUMAGUI, JR.**  
*Commissioner of Internal Revenue*

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<sup>1</sup> Amending Revenue Memorandum Circular No. 69-2017 re: Registration and Compliance Requirements of Individuals under a Job Order or Service Contract Agreement with the Departments and Agencies of the Government, Instrumentalities, Local Government Units (LGUs), State Colleges and Universities, including Government-Owned and/or -Controlled Corporations (GOCCs) and Government Financial Institutions (GFIs), dated June 8, 2018.