



Bringing In Revenues  
for Nation-Building

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



FEB 25 2025

REVENUE REGULATIONS NO. 010-2025

**SUBJECT :** Amending the Pertinent Provisions of Revenue Regulations No. 16-2005 to Implement the Value-Added Tax Provisions under Sections 106, 108, 109, and 112 the National Internal Revenue Code of 1997, as Amended by Republic Act No. 12066

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

**SECTION 1. SCOPE.** – Pursuant to Sections 244 and 245 of the National Internal Revenue Code of 1997, as amended (Tax Code), in relation to Section 32 of Republic Act (RA) No. 12066, these Regulations are hereby promulgated to implement the Value Added Tax (VAT) provisions under Sections 6, 7, 8, and 9 of the said Act.

**SECTION 2. COVERAGE.** – These Regulations shall amend pertinent provisions of Revenue Regulations (RR) No. 16-2005, as amended, to cover the following provisions of the Tax Code:

- A. VAT zero-rating under Section 106(A)(2) for sale of goods;
- B. VAT zero-rating under Section 108(B) for sale of services;
- C. VAT-exempt transactions under Sections 109(u) and 109(dd); and
- D. VAT refund/credit under Section 112(C).

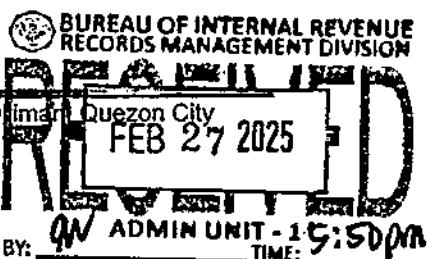
**SECTION 3. ZERO-RATED SALES OF GOODS OR PROPERTIES.** – The entire Section 4.106-5 of RR No. 16-2005, as amended, is hereby further amended to read as follows:

**“SEC. 4.106-5. Zero-Rated Sales of Goods or Properties.** – A zero-rated sale of goods or properties (by a VAT-registered person) is a taxable transaction for VAT purposes, but shall not result in any output tax. However, the input tax on purchases of goods or properties, related to such zero-rated sale, shall be available as tax credit or refund in accordance with these Regulations.

The following sales by VAT-registered persons shall be subject to zero percent (0%) rate:

- (a) **Export sales.** – “*Export Sales*” shall mean:

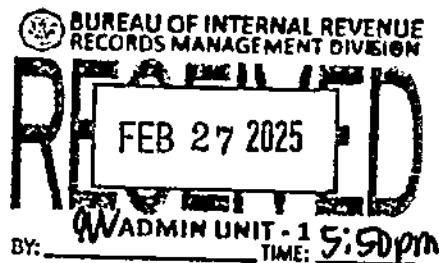
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- (1) The sale and actual shipment of goods from the Philippines to a foreign country, irrespective of any shipping arrangement that may be agreed upon which may influence or determine the transfer of ownership of the goods so exported, paid for in acceptable foreign currency or its equivalent in goods or services, and accounted for in accordance with the rules and regulations of the Bangko Sentral ng Pilipinas (BSP);
- (2) Sale of raw materials or packaging materials to a non-resident buyer for delivery to a resident local export-oriented enterprise to be used in manufacturing, processing, packing or repacking in the Philippines of the said buyer's goods and paid for in acceptable foreign currency and accounted for in accordance with the rules and regulations of the BSP;
- (3) Sale of goods to an export-oriented enterprise. For purposes of this provision, "Export-Oriented Enterprise" refers to a person, natural or juridical, engaged in the sale and actual shipment of goods from the Philippines to a foreign country or economy as contemplated under Section 4.106-5(a)(1) of these Regulations.

To qualify for VAT zero-rating under this provision, the following conditions shall be necessary:

- (i) Export sales of the export-oriented enterprise is at least seventy percent (70%) of the total annual production of the preceding taxable year. For this purpose, "*total annual production*" for goods, refers to the volume or sales value of production, manufactured and sold, including mark-up, by the export-oriented enterprise during taxable year;
- (ii) Such goods are directly attributable to the export activity of the export-oriented enterprise. For this purpose, '*directly attributable*' shall refer to goods that are incidental to and reasonably necessary for the export activity of the export-oriented enterprise; and
- (iii) The Export Marketing Bureau (EMB) of the Department of Trade and Industry (DTI) shall determine compliance with the aforementioned threshold through the issuance of a certification. This certification is to be distinguished from the VAT zero-rating certification issued by the Investment Promotion Agencies (IPAs) on the sale to Registered Business Enterprises (RBEs) which is covered under Title XIII of the Tax Code.



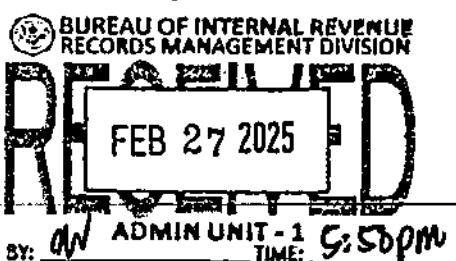
Any export-oriented enterprise that fails to meet the threshold shall not be qualified from availing of VAT zero-rating on local purchases in the immediately succeeding year. The certification on the threshold and entitlement to VAT zero-rating issued by the EMB shall be effective in the applicable calendar or fiscal year and shall be presented to the local suppliers of the export-oriented enterprise prior to the transaction. This is without prejudice to the conduct of post audit investigation/verification by the Bureau of Internal Revenue (BIR) that the goods are indeed directly attributable to the export activities of the export-oriented enterprise. Local suppliers of goods of the qualified export-oriented enterprise shall no longer be required to apply for approval of VAT zero-rating with the BIR.

The EMB shall furnish the BIR a Master List of all export-oriented enterprises issued with a certification, including those with disapproved applications and revoked certifications, on or before the fifth (5th) day following the close of each month. In order to obtain relevant information, for audit purposes, the Commissioner of Internal Revenue (CIR) may prescribe a report template in a separate revenue issuance.

In case the local suppliers passed on VAT on the local purchases of goods directly attributable to the export-oriented enterprise's export activity for the succeeding year despite securing VAT zero-rating certificate from EMB, the qualified exporter may contest the same and/or resolve with the local supplier for the reimbursement of the VAT paid, if any. Should there be a shift of the classification of sales from 12% VAT to VAT at 0%, the previously issued Invoice by the supplier with VAT charged thereon shall be surrendered or returned to the local supplier for cancellation and replacement to VAT zero-rated invoice.

Provided *finally*, that input tax otherwise due on VAT zero-rated local purchases attributable to VAT-exempt sales shall be paid and deductible from the gross income of the taxpayer.

- (4) The sale of goods, supplies, equipment, and fuel to persons engaged in international shipping or international air transport operations; Provided, that the goods, supplies, equipment, and fuel shall be exclusively for the international operations, not domestic operations, of persons engaged in international shipping or air transport operations. The sale of goods, supplies, equipment, and fuel to persons engaged in international shipping or international air transport operations is limited to goods, supplies, equipment and fuel that shall be used in the transport of



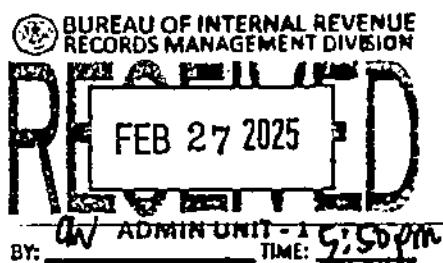
goods and passengers from a port in the Philippines directly to a foreign port, or vice versa, without docking or stopping at any other port in the Philippines unless the docking or stopping at any other Philippine port is for the purpose of unloading passengers and/or cargoes that originated from abroad, or to load passenger and/or cargoes bound for abroad: Provided *further*, that if any portion of such fuel, goods, supplies or equipment is used for purposes other than those mentioned in this paragraph, such portion of fuel, goods, supplies, and equipment shall be subject to 12% VAT; and

- (5) Sales to bonded manufacturing warehouses of export-oriented enterprises. For this purpose, "*bonded manufacturing warehouse*" refers to a warehouse established for the manufacture of products utilizing raw materials or components that are imported duty and tax-free conditioned on the exportation of the finished products within the period prescribed or withdrawal for domestic consumption upon payment of duties and taxes, including VAT, provided that raw materials entered for consumption shall not exceed thirty percent (30%) of the volume of raw materials entered for warehousing.
- (b) Sales to persons or entities whose exemption from direct and indirect taxes under special laws or international agreements to which the Philippines is a signatory effectively subjects such sales to zero-rate.
- (c) Sale of raw materials, inventories, supplies, equipment, packaging materials and goods, to RBEs qualified for VAT zero rating on their local purchases under Title XIII of the Tax Code.

The VAT zero-rating on local purchases of goods shall be availed of on the basis of the VAT zero-rating certification issued by the concerned IPA, without prejudice, however, to the conduct of post audit investigation/verification by the BIR that the goods are indeed directly attributable to the registered project or activity of the qualified RBEs. Local suppliers of goods of the qualified RBEs shall no longer be required to apply for approval of VAT zero-rating with the BIR.

Registered export enterprises (REEs) may still avail of the VAT zero-rating on local purchases of goods under Section 106 of the Tax Code after the expiration of the entitlement to VAT zero-rating on local purchases under Title XIII thereof: Provided, that they comply with the requirements as set forth therein.

The concerned IPA shall furnish the BIR within twenty (20) days following the close of each taxable quarter a list of RBEs issued with VAT zero-rating certification. In order to obtain relevant information, for audit purposes, the CIR may prescribe a report template in a separate revenue issuance.



In a situation where the local suppliers of RBEs that are qualified for VAT zero-rating under Title XIII of the Tax Code passed on the VAT on the local purchases of goods directly attributable to the latter's registered activity, the qualified RBEs may contest the same and/or resolve with the local supplier for the reimbursement of VAT paid, if any. Should there be a shift in the classification of sales from 12% VAT to VAT at zero percent (0%), the previously issued Invoice by the supplier with VAT charged thereon shall be surrendered or returned to the local supplier for cancellation and replacement to VAT zero-rated invoice.

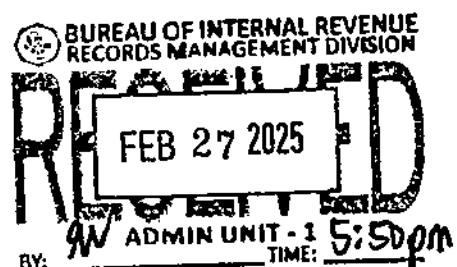
**SECTION 4. ZERO-RATED SALE OF SERVICES.** – The entire Section 4.108-5 of RR No. 16-2005, as amended, is hereby further amended and shall now be read as follows:

**"SEC. 4.108-5. *Zero-Rated Sale of Services.* –**

**(a) In general.** – A zero-rated sale of service (by a VAT-registered person) is a taxable transaction for VAT purposes, but shall not result in any output tax. However, the input tax on purchases of services related to such zero-rated sale shall be available as tax credit or refund in accordance with these Regulations.

**(b) Transactions Subject to Zero Percent (0%) VAT Rate.** – The following services performed in the Philippines by a VAT-registered person shall be subject to zero percent (0%) VAT rate:

- (1) Processing, manufacturing or repacking goods for other persons doing business outside the Philippines which goods are subsequently exported, where the services are paid for in acceptable foreign currency and accounted for in accordance with the rules and regulations of the BSP;
- (2) Services other than processing, manufacturing or repacking rendered to a person engaged in business conducted outside the Philippines or to a non-resident person not engaged in business who is outside the Philippines when the services are performed, the consideration for which is paid for in acceptable foreign currency and accounted for in accordance with the rules and regulations of the BSP;
- (3) Services rendered to persons or entities whose exemption from direct and indirect taxes under special laws or international agreements to which the Philippines is a signatory effectively subjects the supply of such services to zero percent (0%) rate;

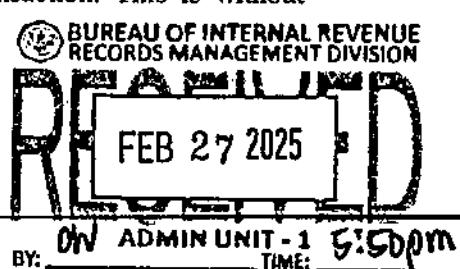


- (4) Services rendered to persons engaged in international shipping or air transport operations, including leases of property for use thereof; *Provided*, that these services shall be exclusively for the international operations, not domestic operations, of persons engaged in international shipping or air transport operations. Thus, the services referred to herein shall not pertain to those made to common carriers by air and sea relative to their transport of passengers, goods or cargoes from one place in the Philippines to another place in the Philippines, the same being subject to 12% VAT under Sec. 108 of the Tax Code;
- (5) Services performed for an export-oriented enterprise. For purposes of this provision, "Export-Oriented Enterprise" refers to a person, natural or juridical, engaged in the sale of services from the Philippines to a foreign country or economy as contemplated under Section 4.108-5(b)(2) of these Regulations.

To qualify for VAT zero-rating under this provision, the following conditions shall be necessary:

- (i) Export sales of the export-oriented enterprise is at least seventy percent (70%) of the total annual production of the preceding taxable year. For this purpose, "*total annual production*" for services refers to the value of services rendered by the export-oriented enterprise during the taxable year;
- (ii) Such services are directly attributable to the export activity of the export-oriented enterprise. For this purpose, 'directly attributable' shall refer to services that are incidental to and reasonably necessary for the export activity of the export-oriented enterprise, including janitorial, security, financial, consultancy, marketing and promotion services, and services rendered for administrative operations such as human resources, legal and accounting; and
- (iii) The EMB of the DTI shall determine compliance with the aforementioned threshold through the issuance of a certification. This certification is to be distinguished from the VAT zero-rating certification issued by the Investment Promotion Agencies (IPAs) on the sale to Registered Business Enterprises (RBEs) which is covered under Title XIII of the Tax Code.

Any export-oriented enterprise that fails to meet the threshold shall not be qualified from availing of VAT zero-rating on local purchases in the immediately succeeding year. The certification on the threshold and entitlement to VAT zero-rating issued by the EMB shall be effective in the applicable calendar or fiscal year and shall be presented to the local suppliers of the export-oriented enterprise prior to the transaction. This is without



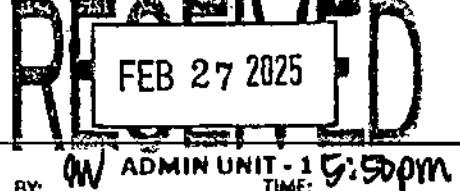
prejudice to the conduct of post audit investigation/verification by the BIR that the services are indeed directly attributable to the export activities of the export-oriented enterprise. Local suppliers of services of the qualified export-oriented enterprise shall no longer be required to apply for approval of VAT zero-rating with the BIR.

Provided, that the EMB shall furnish the BIR a Master List of all export-oriented enterprises issued with a certification, including those with disapproved applications and revoked certifications, on or before the fifth (5th) day following the close of each month. In order to obtain relevant information, for audit purposes, the CIR may prescribe a report template in a separate revenue issuance.

In case the local suppliers passed-on VAT on the local purchases of goods directly attributable to export oriented enterprise's export activity for the succeeding year despite securing VAT zero-rating certificate from EMB, the qualified exporter may contest the same and/or resolve with the local supplier for the reimbursement of the VAT paid, if any. Should there be a shift of the classification of sales from 12% VAT to VAT at 0%, the previously issued Invoice by the supplier with VAT charged thereon shall be surrendered or returned to the local supplier for cancellation and replacement to VAT zero-rated invoice. Moreover, export-oriented enterprises that have attained the 70% export threshold from the preceding taxable year but failed to secure certification from the EMB shall also not be allowed for VAT refund covering the succeeding year.

Provided *finally*, that input tax otherwise due on VAT zero-rated local purchases attributable to VAT-exempt sales shall be paid and deductible from the gross income of the taxpayer.

- (6) Transport of passengers and cargo by domestic air or sea vessels from the Philippines to a foreign country. Gross sales of international air or shipping carriers doing business in the Philippines derived from transport of passengers and cargo from the Philippines to another country shall be exempt from VAT; however, they are still liable to a percentage tax of three percent (3%) based on their gross sales derived from transport of cargo from the Philippines to another country as provided for in Sec. 118 of the Tax Code;
- (7) Sale of power or fuel generated through renewable sources of energy such as, but not limited to, biomass, solar, wind, hydropower, geothermal and steam, ocean energy, and other emerging sources using technologies such as fuel cells and hydrogen fuels; *Provided*, however, that VAT zero-rating shall apply strictly to the sale of power or fuel generated through renewable sources of energy, and shall not extend to the sale of services related to the maintenance or operation of plants generating said power.



(8) Services, including provision of basic infrastructure, utilities, and maintenance, repair and overhaul of equipment, rendered to qualified RBEs as defined under Title XIII of the Tax Code, that are directly attributable to the registered project or activity of the qualified RBE, including incidental expenses thereto.

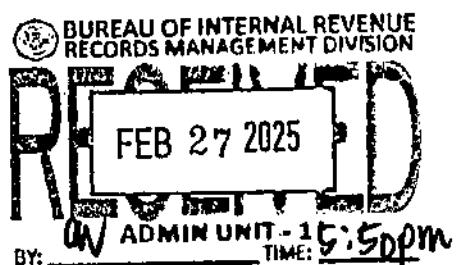
REEs whose entitlement to VAT zero-rating on local purchases has expired may still avail the VAT zero-rating on local purchases under Section 108 of the Tax Code, *Provided*, that they comply with the requirements as set forth therein.

Health maintenance organization (HMO) plans acquired by RBE for its employees who are directly involved in the operations of their registered projects or activities and forming part of their compensation package shall be considered as "directly attributable" in the registered project or activity of the qualified RBEs subject to the conditions provided under the existing laws, rules and regulations regarding the availment thereof. This excludes HMO coverage or benefits extended to family member/s or assigned beneficiary/ies of the employees.

The VAT zero-rating on local purchase of services shall be availed of on the basis of the VAT zero-rating certification issued by the concerned IPA, without prejudice, however, to the conduct of post audit investigation/verification by the BIR that the services are directly attributable to the registered project or activity of the qualified RBEs. Local suppliers of services of the qualified RBEs shall no longer be required to apply for approval of VAT zero-rating with the BIR.

The concerned IPA shall furnish the BIR within twenty (20) days following the close of each taxable quarter a list of RBEs issued with VAT zero-rating certification. In order to obtain relevant information, for audit purposes, the CIR may prescribe a report template in a separate revenue issuance.

In a situation where the local suppliers of RBEs that are qualified for VAT zero-rating under Title XIII of the Tax Code passed on the VAT on the local purchases of services that are directly attributable to former's registered activity, the qualified RBEs may contest the same and/or resolve with the local supplier for the reimbursement of VAT paid, if any. Should there be a shift in the classification of sales from 12% VAT to VAT at zero percent (0%), the previously issued Invoice by the supplier with VAT charged thereon shall be surrendered or returned to the local supplier for cancellation and replacement to VAT zero-rated invoice.



**SECTION 5. VAT-EXEMPT TRANSACTIONS.** – Section 4.109(u) is hereby amended and Section 4.109(dd) shall be added to RR No 16-2005, to read as follows:

***"SEC. 4.109. VAT-Exempt Transactions. –***

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- (B) **Exempt transactions.** – The following transactions shall be exempt from VAT:

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- (u) **Importation of fuel, goods, and supplies used for international shipping or air transport operations.** Said fuel, goods and supplies shall be used exclusively or shall pertain to the transport of goods and/or passenger from a port in the Philippines directly to a foreign port, or vice versa, without docking or stopping at any other port in the Philippines unless the docking or stopping at any other Philippine port is for the purpose of unloading passengers and/or cargoes that originated from abroad, or to load passengers and/or cargoes bound for abroad: *Provided, further,* that if any portion of such fuel, goods or supplies is used for purposes other than that mentioned in this paragraph, such portion of fuel, goods and supplies shall be subject to twelve percent (12%) VAT;

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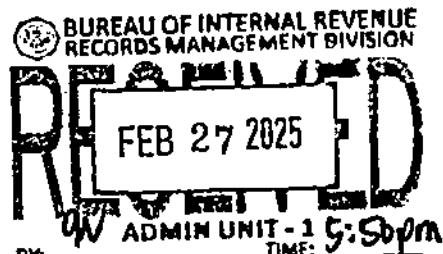
- (dd) Importation of goods by an export-oriented enterprise whose export sales is at least seventy percent (70%) of the total annual production or sales of the preceding taxable year: *Provided,* That such goods are directly attributable to the export activity of the export-oriented enterprise: *Provided, further,* That the EMB of the DTI shall determine the compliance with the aforementioned threshold. For this purpose, ‘directly attributable’ shall follow the same definition under Section 4.106(a)(3)(ii) of these Regulations.”

**SECTION 6. VAT REFUND/CREDIT.** – Section 4.112-I of RR No. 16-2005 shall now be renumbered as Section 4.112 and shall be further amended to read as follows:

**"INPUT VAT REFUND OR TAX CREDIT CERTIFICATE**

***SEC. 4.112. Claims for Cash Refund/Tax Credit Certificate of Input Tax. –***

- (a) **Zero-rated and Effectively Zero-rated Sales of Goods, Properties or Services**



A VAT-registered person whose sales of goods, properties or services are zero-rated or effectively zero-rated may apply for the issuance of a cash refund of input tax attributable to such sales. The input tax that may be subject of the claim shall exclude the portion of input tax that has been applied against the output tax. The application should be filed within two (2) years after the close of the taxable quarter when such sales were made.

In case of zero-rated sales under Secs. 106(A)(2)(a)(1) and (3), Secs. 108(B)(1) and (2) of the Tax Code, the payments for the sales must have been made in acceptable foreign currency duly accounted for in accordance with the BSP rules and regulations.

Where the taxpayer is engaged in both zero-rated or effectively zero-rated sales and in taxable or exempt sales of goods, properties or services, and the amount of creditable input tax due or paid cannot be directly and entirely attributed to any one of the transactions, only the proportionate share of input taxes allocated to zero-rated or effectively zero-rated sales can be claimed for refund or issuance of a tax credit certificate.

In the case of a person engaged in the transport of passenger and cargo by air or sea vessels from the Philippines to a foreign country, the input taxes shall be allocated ratably between his zero-rated sales and non-zero-rated sales (sales subject to regular rate and VAT-exempt sales).

**(b) Cancellation of VAT registration**

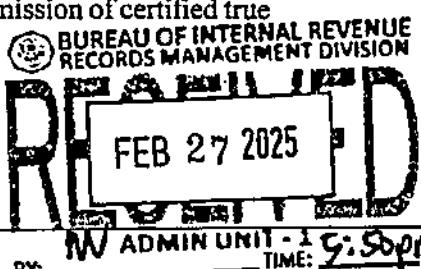
A VAT-registered person whose registration has been cancelled due to retirement from or cessation of business, or due to changes in or cessation of status under Sec. 106(C) of the Tax Code may, within two (2) years from the date of cancellation, apply for the issuance of tax credit certificate or cash refund for any unused input tax which he may use in payment of his other internal revenue taxes or apply for refund for any unused input tax: *Provided, however,* that the taxpayer-claimant shall be entitled to a refund if it has no internal revenue tax liabilities against which the tax credit certificate may be utilized: *Provided further,* that for purposes of dissolution or cessation of business, the date of cancellation being referred hereto is the date of the issuance of BIR Tax Clearance.

**(c) Where to file the claim for refund/credit**

Claims for tax credits/refunds shall be filed with the appropriate BIR Office in accordance with the existing rules and regulations.

**(d) Period within which refund/credit of input taxes shall be made**

- (1) In proper cases, the CIR shall grant refund for creditable input taxes within ninety (90) days from the date of submission of certified true



copies of invoices and other documents specifically limited to those prescribed in the revenue issuances and in support of the application filed in accordance with Subsections (a) and (b) hereof: *Provided that*, should the CIR find that the grant of refund is not proper, the CIR must state in writing the legal and factual basis for the denial. The 90-day period to process and decide shall start from the filing of the claim up to the release of the payment of the approved VAT refund: *Provided that*, the claim/application is considered to have been filed only upon submission of the duly-certified copies of invoices and other documents in support of the application as prescribed under pertinent revenue issuances.

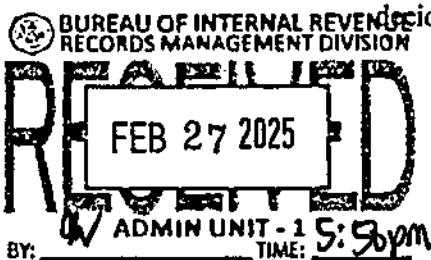
(2) The taxpayer shall have fifteen (15) days from receipt of the full or partial denial to file a request for reconsideration. The request for reconsideration shall be limited only to questions of law on the full or partial denial of the claim for refund. Additional documentary requirements particularly those unsubmitted/unsupported mandatory requirements during the filing of the claim shall not be accepted. The CIR or his duly authorized representative shall decide on the request for reconsideration within fifteen (15) days from receipt thereof. Failure to file a request for reconsideration within the fifteen (15)-day period shall render the decision final.

(3) In case of full or partial denial of the request for reconsideration, or failure on the part of the CIR to act on the application for refund or request for reconsideration within the periods prescribed above, the taxpayer affected may appeal with the CTA within thirty (30) days:

- i. after the expiration of the ninety (90)-day period to decide on the application for refund, in cases where no action is made by the CIR on the application for refund; or
- ii. from the receipt of the decision denying the request for reconsideration; or
- iii. after the lapse of the fifteen (15)-day period to decide on the request for reconsideration in cases where no action is made by the CIR on the request for reconsideration.

When no decision is rendered within the 90-day period or the 15-day period, as the case may be, and the taxpayer-claimant opted to seek for a judicial remedy within thirty (30) days from such period, the administrative claim for refund or the request for reconsideration shall be considered moot and shall no longer be processed.

(4) Failure on the part of any official, agent, or employee of the BIR to act on the application for VAT refund within the ninety (90)-day period and on the request for reconsideration within the fifteen (15)-day period shall be punishable under Section 269(J) of the Tax Code. *Provided further that*, in the event that the 90-day period to decide on the application for refund, or after the lapse of the fifteen



(15)-day period to decide on the request for reconsideration has lapsed without having the refund released to the taxpayer-claimant, the VAT refund claim may still continue to be processed administratively. However, the BIR official, agent or employee who has found to have deliberately caused the delay in the processing of the VAT refund claim may be subjected to penalties imposed under the said Section.

**(e) Risk-based approach in the verification and processing of VAT refund claims**

VAT refund claims shall be classified into low-, medium-, and high-risk, with the risk classification based on the amount of VAT refund claim, tax compliance history, frequency of filing vat refund claims, among others: *Provided*, that medium- and high-risk claims shall be subject to audit or other verification processes in accordance with the BIR's national audit program for the relevant year.

**(f) Manner of giving refund**

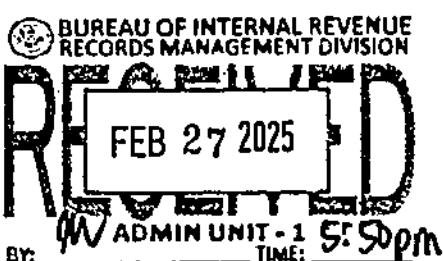
Refund shall be made upon warrants drawn by the CIR or by his duly authorized representative without the necessity of being countersigned by the Chairman, Commission on Audit (COA), the provisions of the Revised Administrative Code of 1987 to the contrary notwithstanding: *Provided*, that refunds under this paragraph shall be subject to post audit by the COA following the risk-based classification above-described: *Provided, further*, That the BIR shall publish statistics on the aggregated volume, processing time, approval rate of refund claims, and other relevant statistics in their official website: *Provided, further*, that in case of disallowance by the COA, only the taxpayer shall be liable for the disallowed amount without prejudice to any administrative liability on the part of any employee of the BIR who may be found to be grossly negligent in the grant of refund.

**(g) VAT Refund Center**

The Department of Finance shall establish a VAT refund center in the BIR and in the Bureau of Customs (BOC) that will handle the electronic processing and granting of cash refunds of creditable input tax. In the absence of automated processing, the existing procedures shall apply.

**(h) Automatic Appropriation**

An amount equivalent to five percent (5%) of the total VAT collection of the BIR and the BOC from the immediately preceding year shall be automatically appropriated annually and shall be treated as a special account in the General Fund or as trust receipts for the purpose of funding claims for VAT refund: *Provided that*, any unused fund, at the end of the



year shall revert to the General Fund.

**(i) Quarterly Report**

The BIR and the BOC shall be required to submit to the Congressional Oversight Committee on the Comprehensive Tax Reform Program (COCTCRP) a quarterly report of all pending claims for refund and any unused fund."

**SECTION 7. TRANSITORY PROVISIONS.** – For VAT credit/refund claims pursuant to Section 112(A) and 112(B) of the Tax Code, these Regulations shall apply to VAT credit/refund claims that are filed starting April 1, 2025 onwards to provide ample time for taxpayers and the BIR to adjust with the new requirements and procedures that will be imposed for this purpose.

**SECTION 8. 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 9. REPEALING CLAUSE.** – All other issuances and rules and regulations or parts thereof which are contrary to and inconsistent with the provisions of these Regulations are hereby repealed, amended or modified accordingly.

**SECTION 10. 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. RECETO  
Secretary of Finance

FEB 26 2025



Recommending Approval:



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

