



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. 006 - 2025

SUBJECT : Implementing Section 135 on Petroleum Products Sold to International Carriers and Exempt Entities or Agencies and the new Section 135-A on Refund of Excise Tax on Petroleum Products of the National Internal Revenue Code of 1997, as amended by Republic Act No. 12066

TO : All Internal Revenue Officials, Employees and Others Concerned

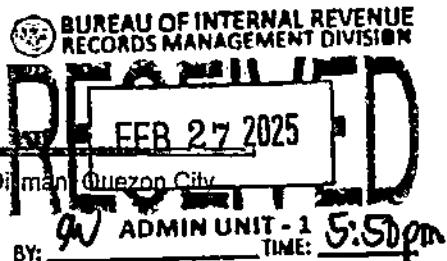
SECTION 1. SCOPE. – Pursuant to Sections 244 and Section 245 of the National Internal Revenue Code of 1997, as amended (Tax Code), in relation to Sections 10 and 32 of Republic Act (RA) No. 12066, these Regulations are hereby promulgated to implement Sections 135 and Section 135-A of the Tax Code, specifically on:

- (1) Exemption from Excise Tax of Petroleum Products Sold to International Carriers and Exempt Entities or Agencies; and
- (2) Refund of Excise Tax on Exempt Petroleum Products.

SECTION 2. PETROLEUM PRODUCTS SOLD TO INTERNATIONAL CARRIERS AND EXEMPT ENTITIES OR AGENCIES. – Petroleum products sold to the following are exempt from excise tax:

- (a) International carriers of Philippine or foreign registry directly importing petroleum products, on their use or consumption outside the Philippines. The said petroleum products sold to these international carriers shall be stored in a bonded storage tank duly accredited by the Bureau of Customs (BOC). The said international carriers claiming exemption shall comply with the registration requirements for their importation. The BOC shall promulgate rules and regulations, subject to the approval of the Secretary of Finance, providing for the specific guidelines and procedures on the use of the bonded storage tanks.

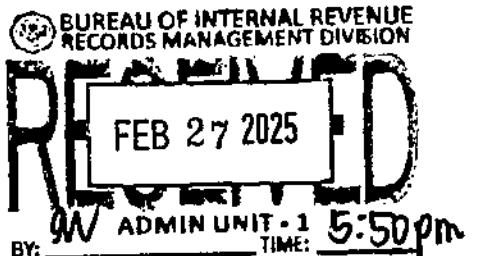
Suppliers of petroleum products to international carriers shall be allowed to file a claim for refund of excise tax paid on such products, upon presenting proof that the petroleum products were sold to international carriers of Philippine or foreign registry, for the latter's use or consumption outside the Philippines, following the procedures under Section 135-A of the Tax Code and these Regulations;



- (b) Exempt entities or agencies covered by tax treaties, conventions and other international agreements for their use of consumption: Provided, however, That the country of said foreign international carrier or exempt entities or agencies exempts from similar taxes petroleum products sold to Philippine carriers, entities or agencies; and
- (c) Entities which are by law exempt from direct and indirect taxes.

SECTION 3. PROCESSING OF REFUND UNDER SECTION 135-A OF THE TAX CODE. –

- (a) No refund of excise tax paid shall be allowed unless the supplier of petroleum products to international carriers and exempt entities or agencies files a written claim for refund with the Commissioner of Internal Revenue (CIR) or his duly authorized representative, within two (2) years after the payment of excise tax.
- (b) The return filed showing an overpayment shall be considered a written claim for refund. Provided, that for purposes of the ninety (90)-day processing period, the counting thereof shall begin upon the submission of the complete documents in support of the application, prescribed by the BIR for this purpose, within the two (2)-year prescriptive period.
- (c) The CIR or his duly authorized representative shall process, and decide on, the claim for refund of excise tax within ninety (90) days from the submission of complete documents supporting the application filed.
- (d) Should the CIR or his duly authorized representative deny the claim for refund in full or in part, the CIR or his duly authorized representative shall communicate in writing to the taxpayer the legal and factual basis for the denial.
- (e) 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.
- (f) The CIR or his duly authorized representative shall decide on the request for reconsideration within fifteen (15) days from actual receipt thereof. Failure to file a request for reconsideration within the fifteen (15)-day period shall render the decision final.
- (g) In case of full or partial denial of the request for reconsideration, or failure on the part of the CIR or his duly authorized representative to act on the application for refund or request for reconsideration within the periods prescribed above, the taxpayer affected may appeal with the Court of Tax Appeals (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 or his duly authorized representative 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 or his duly authorized representative on the request for reconsideration.

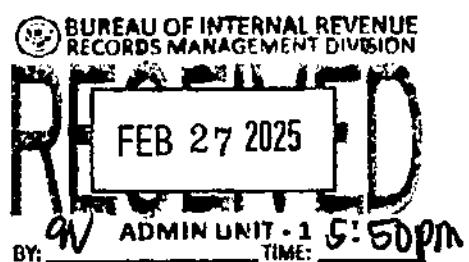
When no decision is rendered within the 90-day period or the 15-day period, as the case may be, and the taxpayer-claimant opted to seek for a judicial remedy within thirty (30) days from such period, the administrative claim for refund or the request for reconsideration shall be considered moot and shall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

SECTION 4. POST-AUDIT BY THE COMMISSION ON AUDIT (COA) OF THE APPROVED EXCISE TAX REFUND. –

- (a) Refund shall be made upon warrants drawn by the CIR or by his duly authorized representative without the necessity of being countersigned by the COA Chairman, the provisions of Revised Administrative Code to the contrary notwithstanding.
- (b) Approved Excise Tax Refund under Section 135-A of the Tax Code shall be subject to post audit by the COA.
- (c) 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 the employee/official of the BIR who may be found to be grossly negligent in the grant of the tax refund.

SECTION 5. LIABILITY OF ANY OFFICIAL AGENT OR BIR OFFICIAL/EMPLOYEE FOR DELIBERATE FAILURE TO PROCESS AND DECIDE CLAIM FOR REFUND WITHIN THE PRESCRIBED PERIOD. – Failure on the part of any official agent or official/employee of the BIR who deliberately caused the delay of processing and deciding on the application within the ninety (90)-day period, and/or on the request for reconsideration within the fifteen (15)-day period, shall be punishable under Section 269(J) of the Tax Code.

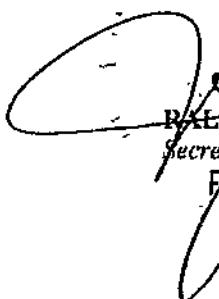
SECTION 6. TRANSITORY PROVISION. – To provide ample time for the taxpayers and the BIR to adjust to the new requirements and procedures to be prescribed pursuant to the amendments introduced by RA No. 12066, these Regulations shall cover claims for refund that are filed starting April 1, 2025 onwards.



SECTION 7. 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 8. 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.

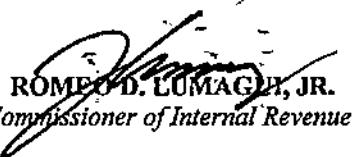
SECTION 9. EFFECTIVITY. – These Regulations shall take effect fifteen (15) days following its publication in the Official Gazette or the BIR Official Website, whichever comes first.



RALPH G. RECTO
Secretary of Finance
FEB 26 2025



Recommending Approval:



ROMEO D. LLAMAS, JR.
Commissioner of Internal Revenue

