



Bureau of Internal Revenue
Republic of the Philippines

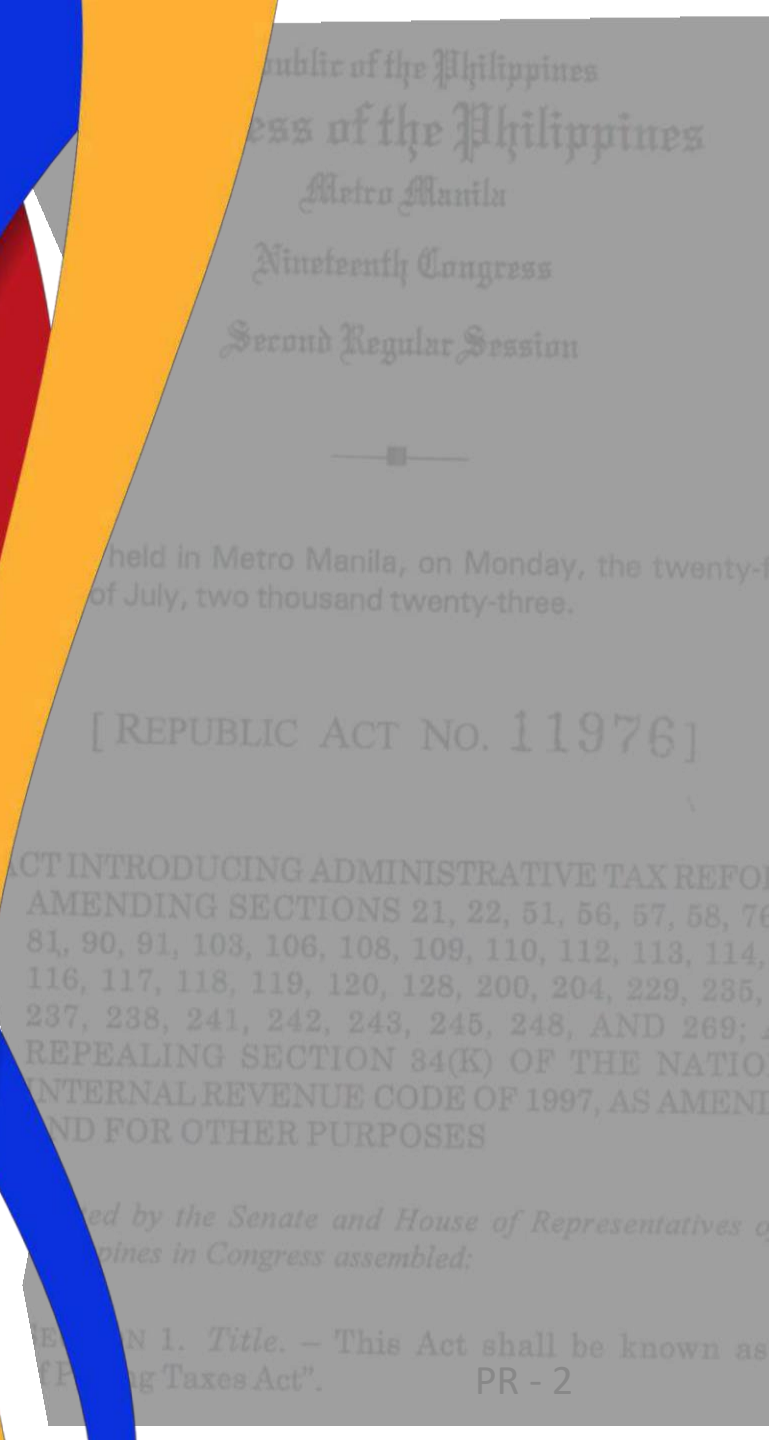
Ease of Paying Taxes Act

Republic Act No. 11976



Revenue Regulations No. 6-2024

Implementing Section 45 of Republic Act No. 11976, otherwise known as the “Ease of Paying Taxes Act”, on Imposition of Reduced Interest and **Penalty Rates** for Micro and Small Taxpayers



EOPT Provision on Special Concessions

Section 45 of the EOPT provides for special concessions to certain taxpayers:

- **Micro Taxpayer** – shall refer to a taxpayer whose gross sales for a taxable year is less than Three Million Pesos (P 3,000,000).
- **Small Taxpayer** – shall refer to a taxpayer whose gross sales for a taxable year is Three Million Pesos (P 3,000,000) to less than Twenty Million Pesos (P 20,000,000).



Special Concessions:

1. Reduced Civil Penalty Rate of 10%:

- Failure to file any return and pay the tax due thereon as required on the date prescribed.
- Failure to pay the deficiency tax within the time prescribed for its payment in the notice of assessment; or
- Failure to pay the full or part of the amount tax shown on any return to be filed, or the full amount of tax due for which no return is required to be filed, on or before the date prescribed for its payment.

50% Civil Penalty Rate in the following cases:

- Willful neglect to file a return within the prescribed period;
- False or fraudulent filing of return

A substantial under-declaration of taxable sales or income (more than 30% of the amount declared in the return), or a substantial overstatement of deductions (more than 30% of the actual deductions) shall constitute prima facie evidence of false or fraudulent return.

2. Reduced Interest Rate (50%)

Imposition of Interest –On any unpaid amount of tax, interest at the reduced rate of fifty percent (50%) of the interest rate mandated in Section 249 of the Tax Code.

- Section 249 of the Tax Code, the rate of interest is double the effective legal interest rate for loans or forbearance of any money as set by the BSP.
- Rate of BSP interest is six percent (6%).
- Hence, the legal interest imposable to covered taxpayers shall only be six percent (6%).

3. Reduced penalty rate (50%) in the following cases:

- Failure to file an information return, statement or list;
- Failure to keep any record,
- Failure to supply any information

*Penalty is P500.00 for each such failure.

*Aggregate amount for all such failures during a calendar year shall not exceed P12,500.00.

*The info/record is required by the Tax Code or by the CIR

4. Reduced compromise penalty rates (50%)

In cases of criminal violations, not involving the commission of fraudulent act, of the following provisions:

- i. **Sec. 113** (invoicing and accounting requirements);
- ii. **Sec. 237** (Issuance of invoice); and
- iii. **Sec. 238** (Printing of Invoice)

The policies and guidelines prescribed under RMO No. 7-2015, RMC No. 3-2022 and other relevant revenue issuances, rules and regulations shall remain applicable.

Effectivity

- The reduced penalty and interest rates shall take effect upon the effectivity of the EOPT Law.
- Hence, it shall be given prospective application.
- Implemented by RR No. 6-2024