



Bureau of Internal Revenue

TAX UPDATES

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CLIENT SUPPORT SERVICE





INVOICING ISSUANCES

1

Invoicing-related IRRs in compliance with the EOPT Act

REVENUE MEMORANDUM CIRCULAR NO. 89-2024

2

Clarifying the taxability of income derived by Local Government Units engaged in proprietary functions

3

RA No. 12023

VAT On Digital Services Law

4

OTHER ISSUANCES

Other BIR updates



Bringing in Revenues
for Nation-building

1

Invoicing Issuances





Invoicing-related Revenue Issuances

INVOICING ISSUANCES

1

- Revenue Regulations No. 7-2024
- Revenue Regulations No. 11-2024
- Revenue Memorandum Circular No. 77-2024





Bringing in Revenues
for Nation-building

Changes to Invoicing

Invoice as the principal source of input tax on the sale of goods and services.



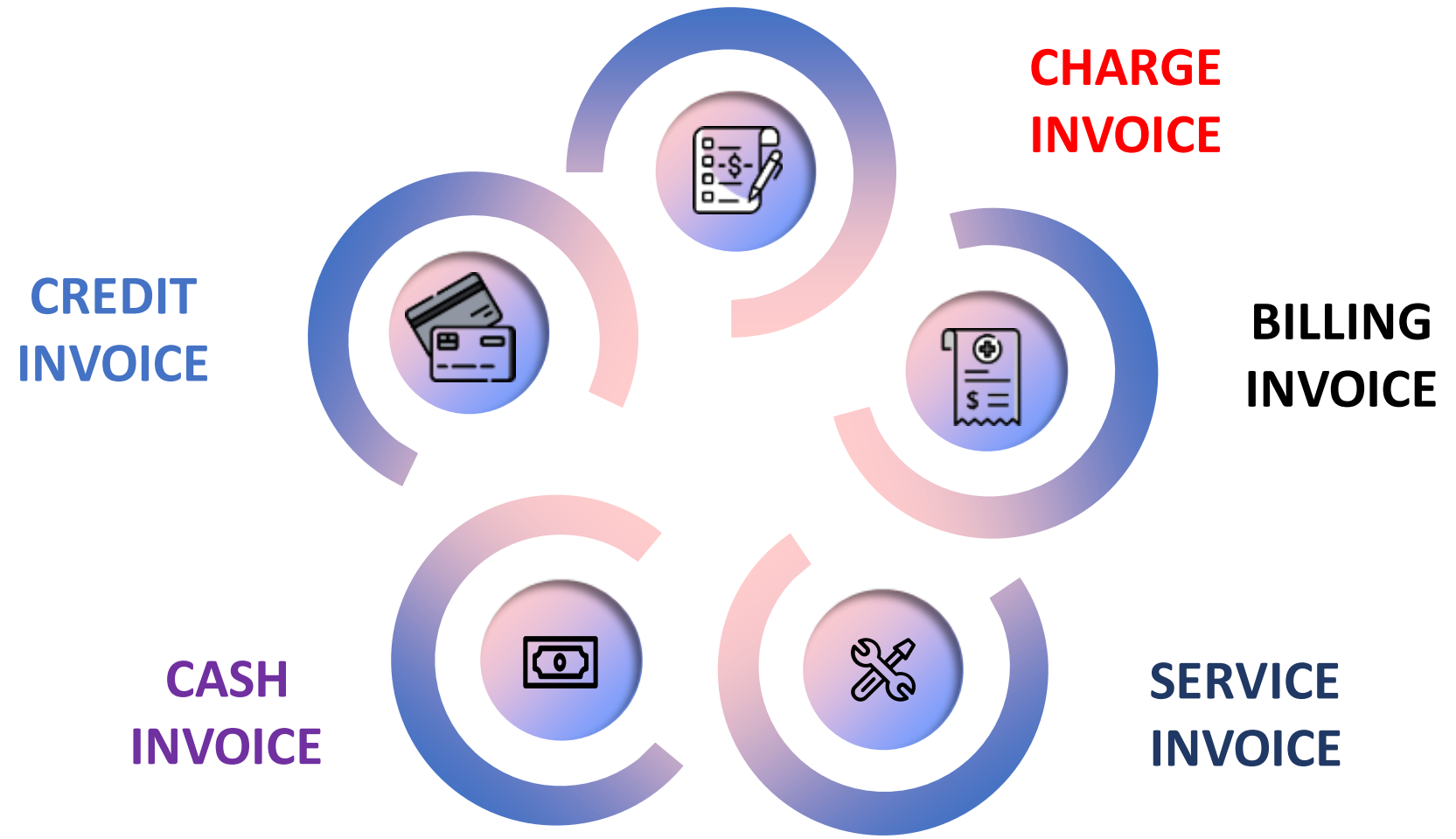
INVOICE





Changes to Invoicing

Invoice as the principal source of input tax on the sale of goods and services.





VAT-Registered

Issue invoice for every sale regardless of the amount

INVOICING ISSUANCES



Non-VAT Registered

Issue invoice for every sale >P500

Issue one invoice at the EOD with consolidated sales <P500 with total at least P500

Issue invoice upon request of buyer regardless of the amount

Issuing VAT Invoice

- Not VAT Reg seller issuing VAT Invoice:
Other percentage taxes, if any + liable to VAT imposed w/o benefit of input tax credit + 50% surcharge
(Sec. 106 or 108, Sec. 248(B) of the Tax Code)
- VAT-Reg seller issuing VAT Invoice to VAT-Exempt transaction without VAT-Exempt Sale label or breakdown of sales:
Liable for VAT as if Sec. 109 of the Tax Code did not apply
(Sec. 106 and 108 of the Tax Code)

Issuing VAT Invoice

- In case the following information is lacking, the seller is liable for non-compliance with the invoicing requirements:
 - Amount of Sales
 - VAT Amount
 - Registered Name and TIN of the buyer and seller
 - Description of goods/nature of services
 - Date of transaction



Bringing in Revenues
for Nation-building

2

RMC NO. 89-2024



01

GOVERNMENTAL FUNCTIONS

- Acts administering the powers of the State and promoting public welfare.
- Essential to the LGU's existence in serving the public.

02

PROPIETARY FUNCTIONS

- Ministerial, private, and corporate in nature, and not necessary to its existence; and
- Inure to the advantage of its inhabitants.

PROPIETARY FUNCTIONS

02

- Ministerial, private, and corporate in nature, and not necessary to its existence; and
- Inure to the advantage of its inhabitants.

LGU shall issue invoice with BIR Authority to Print for transactions subject to internal revenue taxes.



Bringing in Revenues
for Nation-building

3

RA No. 12023

VAT On Digital Services Law



Imposes 12% VAT on digital services delivered by both resident and **non-resident DSPs**

The BIR shall establish a simplified automated registration system for VAT-registered non-resident DSPs.

VAT Exempt transactions:

- Online courses and webinars by private institutions
- Sale of online subscription-based services to educational institutions

Suspending non-compliant service providers, including **blocking their digital services** shall be within authority of the BIR and enforced by DICT through NTC.



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OTHER ISSUANCES

Other BIR updates





RR NO. 17-2024

Prescribing the
presentation of tax
clearance prior to final
settlement of government
contracts

RR NO.
8-2024



**RR NO.
17-2024**

**Prescribing the
presentation of tax
clearance prior to
final settlement of
government
contracts**

**RR NO.
8-2024**

**Implements RA No.
11976 (Ease of Paying
Taxes Act) on the
classification of
taxpayers**



MICRO

SMALL

MEDIUM

LARGE

GROSS SALES

< ₱3M

₱3M TO < ₱20M

₱20M TO < ₱1B

₱1B AND

ABOVE



Thank You!

ACIR JANETTE R. CRUZ
CLIENT SUPPORT SERVICE

