



TAX TWEETS

a monthly publication of Reyes Tacandong & Co. Tax Division

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Tax Tweets is Reyes Tacandong & Co.'s official monthly publication which highlights select and significant issuances and advisories of various government agencies including the BIR, SEC, BOC, FIRB, PEZA, and other regulatory bodies.

This Tax Tweets Issue covers select and significant issuances and advisories from **November 2025**.

BIR Issuances

Suspension of all Audit and Other Field Operations of the Bureau of Internal Revenue Until Lifted by the Commissioner of Internal Revenue

Revenue Memorandum Circular No. 107-2025
Issued on November 24, 2025

This Circular orders the **suspension of all ongoing field audits and related field operations, such as issuing Letter of Authority (LOA), Mission Order (MO), examination, and verification of taxpayers' books of accounts, records, and other related transactions until lifted by the Commissioner.**

However, in order to maximize revenue collection, the issuance of Assessment Notices, Warrants, and Seizure Notices shall continue under the exceptions outlined in Section IV of the Circular. Additionally, taxpayers may voluntarily pay their known deficiency taxes without needing approval from the appropriate revenue officials.

This Circular applies to all operating offices of the Bureau of Internal Revenue (BIR) that conducts field audits and related field operations, including but not limited to:

1. Large Taxpayers Service (LTS);
2. Revenue Regions (RRs);
3. Revenue District Offices (RDOs);
4. National and Regional Investigation Divisions;
5. Assessment Divisions;
6. VAT Audit Unit (LTS);
7. VAT Audit Sections;
8. Office Audit Sections; and
9. All other offices, committees, and task forces authorized to conduct examinations, verification of taxpayers' books of account, records, and other related transactions or investigations.

Further, **during the suspension period, the issuance of written orders to audit or investigate taxpayers' internal revenue liabilities is suspended, except in the following circumstances:**

1. Investigation of cases prescribing within six (6) months from the date of the Order;
2. Processing and verification of estate tax returns, donor's tax returns, capital gains tax returns, and withholding tax returns on the sale of real properties or shares of stocks, together with the documentary stamp tax returns related thereto;
3. Examination or verification of internal revenue tax liabilities of taxpayers retiring from business;
4. LOAs/MOs necessary for active criminal probes conducted by duly authorized enforcement units through verified intelligence reports, inter-agency referrals, third-party data validation, or risk-scoring anomalies that require immediate audit action where delay would prejudice the government's case;
5. Claims for refund where the issuance of an LOA is statutorily required; and
6. Other matters/concerns where deadlines have been imposed or under the orders of the Commissioner.

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"

Revenue Memorandum Circular No. 105-2025
Issued on November 12, 2025

This Circular seeks 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".

Under Section 5 of RA No. 11712, a Health Emergency Allowance (HEA) is given 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 during the COVID-19 or any 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.



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 P3,000.00
Medium Risk Areas	At least P6,000.00
High Risk Areas	At least P9,000.00

The HEA shall be treated as part of the "other benefits" pursuant to Section 32(B)(7)(e) of the Tax Code which provides that gross benefits received by officials and employees of public and private entities not exceeding P 90,000.00 are exempt from income tax.

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 P90,000.00 under Section 32(B)(7) (e) of the Tax Code.

For individuals engaged under contracts of service and job orders, where there exists no employer-employee relationship between the hiring agency and hired healthcare workers or non-healthcare workers and said workers are considered self-employed professionals or independent contractors, **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.

All persons granted with HEA shall be included in the Alphabetical List of Employees/Payees submitted annually by employers/payors pursuant to existing regulations.

SEC Issuances

Upcoming Integration of eFast and eSecure Systems

SEC Notice

Issued on November 5, 2025

This Notice announces the **upcoming integration of the eFAST and eSECURE systems**. The integration of the two systems aims to provide users with a more unified, efficient, and secure access platform for managing their transactions and account information.

As a result of the integration, eFAST accounts will now be linked to existing eSECURE accounts. Accordingly, **it is crucial that users validate their accounts using the correct Tax Identification Number (TIN) associated with their original eFAST enrollment**. Failure to do so may result in account mismatch or migration issues.

Closure of SEC Robinsons Galleria Satellite Office

SEC Notice

Issued on November 12, 2025

This Notice announces the **permanent closure of the Securities and Exchange Commission (SEC) Satellite Office located on the 4th Floor of Robinsons Galleria effective November 17, 2025**.

All services previously provided at that location will now be carried out at the SEC Headquarters on the 5th Floor of the Securities and Exchange Commission Headquarters in Makati City.

BOI Issuances

Warning Against Unauthorized Individuals or Entities Offering Board of Investments (BOI) Registration Services

BOI Public Advisory

Issued on November 7, 2025

The Advisory serves as a warning to the public against individuals or entities claiming to offer or facilitate registration services on behalf of the Board of Investments (BOI). No third party is authorized to collect fees, process applications, or conduct transactions related to BOI registration outside of its official channels. Any engagements made outside of official platforms or communication channels, or with any other individual or entity are unauthorized, and may expose the public to fraudulent schemes.

Should an individual or someone they know fall victim to such fraudulent activities, the incident should be reported immediately to the National Bureau of Investigation for proper investigation and legal action.

Revised List of Strategic Investments under Executive Order No. 18, s. of 2023

BOI Memorandum Circular No. 08-2025

Posted on November 7, 2025; Dated October 9, 2025

The Circular provides for the following revised list of strategic investments under Executive Order (EO) No. 18, s. of 2023:

1. Clean Energy Sources and Energy Storage Systems with project cost of at least P3.5 billion in alignment with the energy project of national significance (EPNS) program of the Department of Energy (DOE);
2. Power Projects in Missionary Electrification Areas;
3. Green Metals (Critical Minerals mining with processing);
4. Manufacturing Activities such as:
 - a. Semiconductor and Electronics;
 - b. Electric Vehicles and Battery Manufacturing/ Assembly;
 - c. Iron and Steel specifically for upstream using Blast Furnace, for Midstream using electric arc furnace (EAF) technology with at least P10 billion project cost;
 - d. Ship Building;
 - e. Medical Devices or equipment;
 - f. Chemicals and Related Industries;
 - g. Manufacturing of new product using new technology (supply chain support);
5. Defense Related Activities and Services;
6. Aerospace;
7. Pharmaceuticals including Animal Vaccines;
8. Liquefied natural gas (LNG) Storage and Regasification;
9. Refining, storage, marketing and distribution of petroleum products under RA No. 8479 in off grid areas or unserved areas;
10. Public-Private Partnership (PPP) and infrastructure projects (bulk water, toll road projects, railway, domestic industrial zone, ports, telecommunications);
11. Specialty Hospitals;
12. Water Treatment, Supply, and Distribution;
13. Strategic Agribusiness Investments with project cost of at least P1 billion; or
14. Education City and Branch Campus.



Policy on the Upward Amendment of Registered Capacity and Project Splitting

BOI Memorandum Circular No. 09-2025

Posted on November 12, 2025; Dated October 28, 2025

The Circular approves two new policies in order to effectively carry out the intents and purposes of RA No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, as amended by RA No. 12066: (1) Policy on Upward Amendment of Registered Capacity and (2) Policy on Project Splitting.

Per Rule 5, Section 1 of the IRR of RA No. 12066, the Fiscal Incentives Review Board (FIRB), upon recommendation of the concerned Investment Promotion Agencies (IPAs), shall approve or disapprove the grant of tax incentives to registered projects or activities with investment of more than P 15 billion. The FIRB, in consultation with the IPAs, may increase the mentioned threshold amount.

The said policies were issued in order to prevent the practice of splitting of the total amount of investment capital by breaking up the projects or activities into smaller projects or activities, and other similar practices which may result in circumventing the FIRB's authority to approve or disapprove the grant of incentives, consistent with the national policy of maintaining fiscal prudence in the grant of incentives and minimizing the cost to government revenues

I. Policy on Upward Amendment of Registered Capacity

1. This Policy shall apply to all IPAs and covers all projects approved by the concerned IPA but not yet registered, projects registered but not yet in commercial operation; and projects registered and already in commercial operation.

However, the Policy will not apply to the following special laws as these laws already provide for incentives for additional capacity: RA No. 9513 or the Renewable Energy Act of 2008; and RA No. 8479 or the Downstream Oil Industry Deregulation Act of 1998.

2. Upward amendment of registered capacity refers to the increase in capacity of the existing registered activity, regardless of the percentage increase from the registered capacity, under any of the following circumstances:

- a. Additional investments in equipment, land, or facilities installed in the same location as the existing operation;
- b. Additional employment/shifts;
- c. Reconfiguration/enhancement of existing equipment, or replacement of existing equipment with newer equipment model but with same functionality;
- d. Bottlenecking; or
- e. Additional product or service, of the same nature with its existing registered project, using the existing machine and equipment and production line to maximize its capacity, but with no additional project cost.

Projects that do not qualify as an "expansion projects" under the CREATE Act shall be evaluated under upward amendment.

3. To determine the appropriate reckoning period when the increase in capacity will be applied in the computation for incentives entitlement, the following provisions shall apply:

WHEN INCREASE IN CAPACITY OCCURRED	RECKONING PERIOD
During pre-operating phase of the project	From the date of the project's actual start of commercial operations (SCO)
When project has already started commercial operations	From the date when the project's registered capacity has been exceeded

4. Where there is no increase in capacity but there is increase in sales or revenues attributable to an increase in the prices of final products/services, this shall not require an upward amendment of registered capacity. The higher revenues will be accepted and included in the computation of the ITH entitlement.

5. If the request for upward amendment of registered capacity results in the breach of the prevailing investment capital threshold, it shall be elevated to the FIRB if it is determined that there is project splitting.

6. The following applicable incentives for projects with approved upward amendment of capacity will be granted:

TYPE OF PROJECT	APPLICABLE INCENTIVES
Existing project registered prior to the effectivity of the CREATE Act, where the activity is still entitled to ITH	The project with amended capacity is eligible to the same incentives, coterminous with the incentives granted upon its original registration subject to Section 311 of the CREATE Act, as amended by RA No. 12066, provided that such project remains compliant under its original terms and conditions of registration. No additional commitment will be imposed on the project.
Existing project registered prior to the effectivity of the CREATE Act, where the activity is subject to the five percent (5%) Gross Income Tax (GIT) incentive	The project with amended capacity is eligible to the 5% GIT incentive until the expiration of the transitory period under Section 311 of the CREATE Act, as amended by RA No. 12066, provided that such project remains compliant under its original terms and conditions of registration. No additional commitment will be imposed on the project.
Existing project registered under the CREATE Act, as amended by RA No. 12066	The project with amended capacity is eligible to the same incentives, coterminous with the incentives granted upon its original registration, under the CREATE Act, as amended by RA No. 12066, provided that such project remains compliant under its original terms and conditions of registration. No additional commitment will be imposed on the project.



7. RBEs availing of income tax-based incentives with an increased production of at least 50% of its registered capacity due to additional investments in equipment, land, or facilities installed in the same location as the existing operation above must request an upward amendment of registered capacity.

8. This Policy shall revoke any previous guidance or statement of policy regarding upward amendment of registered capacity, particularly Board Resolution No. 3175, Series of 1999, and item (I)(1) Upward Amendment of Capacity under the 1989 Guidelines for Amendment of Registered Capacity and Registered Products issued by the BOI.

II. Policy on Project Splitting

To determine whether project splitting occurs, the following factors shall be taken into consideration:

1. All subsequent projects by the same Registered Business Enterprise (RBE) shall undergo an initial evaluation under prevailing policies to determine whether the project applications are distinct endeavors or indicative of project splitting.

2. A request for upward amendment of registered capacity that results in the breach of the prevailing investment capital threshold shall be elevated to the FIRB if it is determined that there is project splitting.

3. Projects may be considered splitting when at least four of the following are present in two or more projects by the same proponent:

- a. The nature of the activity or project, specifically when the projects share similarities in nature of the activity or project, such as location or the use of identical raw materials;
- b. The similarities of the projects' products or services;
- c. The same customers or clients;
- d. The time interval between applications, specifically when the interval between the dates an IPA officially accepts an application for registration between two or more projects by the same proponent is less than 12 months;
- e. The proposed SCO of the projects, specifically when the proposed SCO dates between two or more projects by the same proponent are less than 12 months apart; and
- f. Other analogous circumstances.

Notwithstanding the foregoing, the existence of splitting of investment capital will be determined by concerned IPA on a case-to-case basis.

4. Should it be determined that there is project splitting, the identified project applications will have their project cost consolidated and treated as a single project/activity.

The consolidated application will then be endorsed to the FIRB for evaluation if the consolidated project cost is more than the relevant investment threshold.

BOC Issuance

Modifying the Rates of Import Duty on Rice, and Creating an Inter-Agency Group for the Effective Master Implementation thereof

Customs Memorandum Circular No. 260-2025

In relation to Executive Order No. 105 issued on November 7, 2025

This refers to Executive Order (EO) No. 105, series of 2025, dated November 7, 2025, entitled "Modifying the Rates of Import Duty on Rice, and Creating an Inter-Agency Group for the Effective Implementation Thereof", which extended the Most Favored Nation (MFN) tariff rate of 15% for both in-quota and out-quota on imported rice until December 31, 2025.

The EO provides that beginning January 1, 2026, the MFN rates of duty on rice shall be increased by +5 percentage points per 5% decrease in international rice prices; or decreased by -5 percentage points per 5% increase in international rice prices. However, the MFN rates of duty on rice, both in-quota and out-quota, shall in no case be below 15% or above 35%.



TAX TWEETS

was conceptualized to provide and disseminate information on the latest news, issues and trends in Philippine taxation.

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