



Bringing in Revenues
For Nation-building

Republic of the Philippines
Department of Finance
BUREAU OF INTERNAL REVENUE
National Office Building
Quezon City



BAGONG PILIPINAS

Date JUN 18 2026

REVENUE REGULATIONS NO. 004 - 2026

SUBJECT : Prescribing Guidelines and Procedures for the Availment of a One-Time Abatement of Taxes and/or Penalties for Micro Taxpayers

TO : All Internal Revenue Officers, Employees, and Others Concerned

SECTION 1. Purpose. – Pursuant to Sections 244 and 245, in relation to Section 204(B), of the National Internal Revenue Code (NIRC) of 1997, as amended, these Regulations are hereby promulgated to prescribe the guidelines and procedures for the availment by micro taxpayers of the opportunity to settle their delinquent accounts or assessments, whether preliminary or final, disputed or not, and open stop-filer cases, including those of micro taxpayers who have ceased business operations, by way of application for abatement of taxes and/or penalties, including surcharge and interest.

SECTION 2. Definition of Terms. – In applying the provisions of these Regulations, the following terms shall be defined as follows:

- a.) Micro taxpayer – refers to a taxpayer whose gross sales for the year is less than Three Million Pesos (<₱3,000,000.00), as defined under Revenue Regulations (RR) No. 8-2024. For mixed income earners, “gross sales” shall only cover business income, excluding compensation income earned under employer-employee relationship;
- b.) Delinquent account – refers to the amount of tax due on or before December 31, 2025 from a taxpayer who failed to pay the same within the time prescribed for its payment, arising from (1) a self-assessed tax, or (2) a deficiency assessment issued which has become final and executory;
- c.) Assessment, whether preliminary or final, disputed or not – refers to a tax assessment in the Preliminary Assessment Notice or Final Assessment Notice, or reiterated in the Final Decision on Disputed Assessment, issued on or before December 31, 2025 which has not yet become final and executory;
- d.) Cessation of business operations – refers to the point or circumstance when the business operations of the taxpayer have stopped;
- e.) Stop-filer case – refers to a case wherein a registered taxpayer failed to file and/or submit the required tax return and other tax information within the prescribed due date.

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 BUREAU OF INTERNAL REVENUE
 RECORDS MANAGEMENT DIVISION
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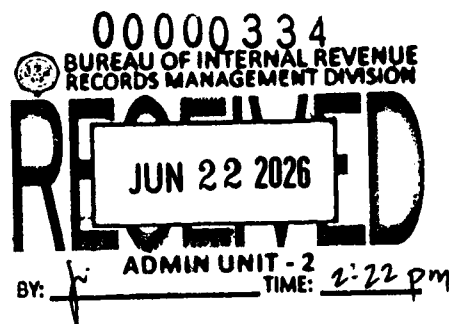
SECTION 3. Scope. – The abatement under these Regulations shall apply to:

- a.) All delinquent accounts as of December 31, 2025;
- b.) Assessments, whether preliminary or final, disputed or not, as of December 31, 2025; and,
- c.) All open stop-filer cases as of December 31, 2025, including those of micro taxpayers who have ceased business operations.

SECTION 4. Coverage. – The following cases of micro taxpayers with delinquent or assessed basic tax or penalties of not more than Eighty Thousand Pesos (₱80,000.00) may be applied for abatement:

- a.) Delinquent Accounts;
- b.) Cases with administrative protest pending in the Regional Office, Revenue District Office, Legal Service thru Appellate Division, Collection Service, Enforcement Service and other Offices in the National Office;
- c.) Tax cases being disputed before the Department of Justice and the courts, i.e., the Municipal Trial Courts (MTC), Regional Trial Courts (RTC), Court of Tax Appeals (CTA), Court of Appeals (CA), and the Supreme Court (SC), including decided cases which are not yet final and executory;
- d.) Tax Collection Cases filed with the Courts;
- e.) Cases with pending request for Compromise Settlement which are under evaluation by the Technical Working Group (TWG)-National Evaluation Board (NEB), TWG-Regional Evaluation Board (REB), NEB and REB;
- f.) Cases with pending request for abatement under RR No. 13-2001 for evaluation by the Commissioner of Internal Revenue or his authorized representative;
- g.) Criminal violations, except those already filed in Court, such as those under the Run After Tax Evaders (RATE) Program of the Bureau, and other tax fraud cases, unless allowed to avail by the Commissioner or his duly authorized representative on meritorious grounds;
- h.) “Accounts Payable or Due to BIR” accounts duly recorded or acknowledged by the taxpayers in their books of accounts; and
- i.) No basic tax due but the threshold amount involves penalties due.



The ₱80,000.00 threshold shall refer to the **total basic tax liabilities and/or penalties arising from violations of the NIRC of 1997, as amended, covering all of the above-mentioned cases for a taxable year.**



receipt and verification of the proof of payment. Such Certificate shall serve as proof of the taxpayer's availment of abatement under these Regulations, compliance with the requirements, and the closure of the case which is the subject of the approved application.

The concerned RDO shall inform the Appellate Division of any taxpayer-applicant who may have a pending appeal against a Final Decision on Disputed Assessment before the Office of the Commissioner, if any.

SECTION 10. Effectivity. – These regulations shall take effect after fifteen (15) days following its publication in the Official Gazette or the BIR Official Website, whichever comes first.



FREDERICK D. GO
Secretary of Finance
JUN 18 2026 *AA*

Recommending Approval:



CHARLITO MARTIN R. MENDOZA
Commissioner of Internal Revenue

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