# REVENUE MEMORANDUM CIRCULAR NO. ____________

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| **SUBJECT** | : | **Prescribing Policies and Guidelines on the Issuance of Electronic Invoice under Revenue Regulations (RR) No. 8-2022 and RR No. 11-2025, as Amended by RR No. 26-2025** |
| **FOR** | : | **All Revenue Officials, Employees, Taxpayers and Others Concerned** |

## I. PURPOSE

This Circular is issued to prescribe the policies and guidelines on electronic invoicing (issuance of electronic invoice) pursuant to Sections 237 of the National Internal Revenue Code, as amended (Tax Code), as implemented by RR No. 8-2022 and RR No. 11-2025, as amended by RR No. 26-2025.

## II. DEFINITION OF TERMS

For purposes of this Circular, the following words and phrases shall have the meaning indicated below:

1. **Computerized Accounting System (CAS)** – The integration of different component systems and processes to produce computer-generated accounts and accounting records, including system-generated invoices, reports and documents. It involves computerized processing of full accounting cycle, i.e., from the inception of the transaction, issuance of invoices up to the generation of financial reports. In any case that an invoice shall be manually issued, the system/software/application shall be considered as Computerized Books of Accounts (CBA) with Accounting Records.

2. **Credit Note/Memo** - A document issued by the seller to reduce or cancel, in whole or in part, a previously issued invoice due to returns, allowances, discounts, overbilling, or similar adjustments.

3. **Electronic Commerce (e-commerce)** – This refers to any commercial transaction conducted through electronic, optical, and similar medium, mode, instrumentality and technology. The transaction includes the sale or offer for sale, purchase of physical or digital goods and services, or lease or offer for lease of the same, between individuals, households, businesses, and governments conducted over computer-mediated networks through the Internet, mobile phones, electronic data interchange, or other electronic channels through open or closed networks. These may be digitally ordered, digitally delivered or platform-enabled transactions. Internet transactions shall also refer to e-commerce.

4. **Electronic Invoice –** It is a written account evidencing the sale, exchange or transfer of goods, properties, services and/or lease/use of properties, issued in the ordinary course of trade or business, using an accounting/invoicing software or system with invoice management tools that is registered/accredited with the Bureau of Internal Revenue (BIR), containing the vital information as prescribed in the existing rules and regulations. It is a system-generated invoice issued to the buyers electronically in a digital/electronic format (*e.g. via email as Portable Document Format (PDF) attachments or email content or through electronic viewing in mobile or system application*) or subsequently printed: Provided that, it is system-generated in a structured invoice data which can be easily extracted electronically from the invoice and its data can be readily transmitted electronically to the BIR for electronic sales reporting.

   A photo or scanned copy (in any file format) of a paper invoice (physical/manual copy) is not an electronic invoice.

5. **Electronic Invoicing –** This refers to the automated process of generating an electronic invoice in a structured invoice data which can be easily extracted electronically from the invoice allowing for automated electronic data processing. It involves the electronic exchange of an electronic invoice that records a transaction between a seller and a buyer. This can be a one-way electronic exchange where the seller sends the electronic invoice to the buyer.

6. **Electronic Invoicing Solution Provider (ESP)** – refers to a domestic enterprise that provides digital tools and/or services to assist businesses in the electronic invoicing process. Such services may cover one or more components of invoicing, including the creation, validation, transmission, receipt, storage, or reporting of electronic invoices, in compliance with applicable technical and regulatory requirements. The scope of services may vary depending on the provider's functionality and system capabilities.

7. **Permit to Issue (PTI) Electronic Invoice** – refers to the authority granted by the BIR authorizing a taxpayer to issue electronic invoices that comply with the prescribed electronic invoicing requirements, through a duly registered and/or approved invoicing system.

   The PTI is distinct from the Permit to Use (PTU) or Acknowledgement Certificate (AC) for CAS, which authorizes the use of such systems but does not by itself constitute authority to issue electronic invoices.

8. **Point-of-Sale (POS) System** – a type of sales receipting system that is considered more complex than a Cash Register Machine, which may have the capability to record and track customer orders, process debit and credit card accounts, linked to other systems in the establishment's network and manage inventory. Similarly, this system can record the sale/transfer of merchandise or services rendered with system-generated invoices.

9. **Structured Invoice Data** - Invoice information organized in a standardized, machine-readable electronic format that can be automatically extracted, processed, stored, and transmitted electronically without manual encoding.

## III. COVERAGE

A. Taxpayers covered by the December 31, 2026 deadline.

1. Taxpayers engaged in e-commerce or internet transactions, classified as Small, Medium and Large Taxpayers (Micro Taxpayers are exempted);

2. Taxpayers under the jurisdiction of the Large Taxpayers Service (LTS);

3. Taxpayers classified as Large Taxpayer under Republic Act (RA) No. 11976 (Ease of Paying Taxes [EOPT] Act) and RR No. 8-2024; and

4. Taxpayers using CAS and CBA with Accounting Records (with electronic invoicing), and other invoicing software.

B. Taxpayers to be covered by a subsequent issuance.

1. Taxpayers engaged in the export of goods and services pursuant to Sections 106 and 108 of the Tax Code, except those falling under Section III (A) (4) hereof;

2. Registered Business Enterprises availing of tax incentives under Section 304(D) of the Tax Code, except those falling under Section III (A) (4) hereof;

3. Taxpayers using POS System; and

4. Other taxpayers as may be required by the Commissioner of Internal Revenue.

## IV. POLICIES AND GUIDELINES

All covered taxpayers shall adhere to this Circular and shall follow the policies and guidelines provided herein:

1. All taxpayers covered under Section III (A) hereof, except those classified as Micro taxpayers, shall be required to issue electronic invoices and comply with the provisions of this Circular on or before December 31, 2026.

   Taxpayers enumerated under Section III (B), however, shall not be covered by the December 31, 2026 compliance deadline. Instead, they shall be required to issue electronic invoices only upon the issuance of a separate revenue issuance for this purpose. In case of taxpayers using POS System, they shall be covered by the said deadline if they fall under the taxpayers identified in Section III (A).

   Other taxpayers not covered by the mandate of the provisions of Section 237 of the Tax Code may issue electronic invoices in lieu of manual invoices.

2. The obligation to issue electronic invoices pursuant to Section 237 of the Tax Code, shall be separate and distinct from the obligation to comply with the electronic sales reporting requirements under Section 237-A of the Tax Code.

   Except for taxpayers already identified and/or notified by the Bureau for compliance with the electronic sales reporting requirements, taxpayers enumerated under Section III of this Circular shall be required to comply with the electronic sales reporting requirements only upon the issuance by the Bureau of the implementing policies, guidelines, and procedures for such purpose.

3. Taxpayers shall have the option to use an in-house or commercially acquired electronic invoicing solution, or avail of the services offered by an ESP. Policies and guidelines governing ESPs shall be prescribed through a separate revenue issuance.

4. An invoice shall be considered an Electronic Invoice only if it satisfies all of the following requirements:

   a. It is generated by a duly registered, approved, or accredited accounting/invoicing software or system in a structured electronic format;
   b. It is issued electronically to the buyer, purchaser, or client through electronic means; and
   c. The invoice data contained therein is capable of being electronically extracted, processed, and transmitted to the Bureau for electronic sales reporting purposes.

   Accordingly, the mere generation of a PDF file, scanned image, or printed invoice in electronic form shall not, by itself, qualify as an Electronic Invoice unless the foregoing requirements are satisfied.

5. Invoices generated by a CAS, CBA with Accounting Records (with electronic invoicing), POS System, or other accounting/invoicing software or system and subsequently printed on paper for issuance to buyers, without the capability or readiness to electronically report the sales and invoice data, shall not qualify as electronic invoices. Instead, they shall be classified as traditional, manually issued invoices.

6. Electronic invoices shall be in a structured electronic format. This means that digital information shall be organized in a set, predictable way so computers can easily read, sort, and use it.

   a. The BIR's existing Electronic Invoicing and Sales Reporting System prescribes the use of the JavaScript Object Notation (JSON) file format in the establishment of sales data transmission system. To avoid confusion, taxpayers whose electronic accounting/invoicing software or system with a file format other than the JSON shall continue to utilize their existing file formats.

   b. The information required in the JSON file format are not designed to change in any way the existing information reflected on the invoices of taxpayers. The data required in the JSON file format are primarily from the minimum required information (Annexes "A-1" and "A-2") to be indicated on the invoices under Section 113 of the Tax Code, including some additional details that are found to be relevant on most taxpayers whether engaged in the sale of goods or service such as discounts, withholding taxes, etc.

7. Taxpayers mandated to issue electronic invoices under Section III (A) shall comply with the required structured electronic format regardless of the software or system used to generate the invoices, including, but not limited to a CAS, POS System, or any other accounting/invoicing software or system duly registered with or approved or accredited by the BIR.

8. The generated electronic invoice shall be issued electronically in a digital/electronic format, including but not limited to delivery via e-mail as a PDF attachment or as content embedded in the body of the e-mail, online viewing, mobile applications, web-based platforms, or other electronic means.

   The electronic invoice may thereafter be printed and furnished to the purchaser or customer for reference or record-keeping purposes, including in business-to-consumer (B2C) transactions where the electronic delivery is not practicable, inconvenient or not possible, provided that the original invoice was generated and can be issued electronically and all electronic invoicing requirements prescribed under this Circular have been complied with.

9. All electronic invoices shall contain a Quick Response (QR) Code generated by the taxpayer's accounting/invoicing software or system. The QR Code shall serve as a verification feature and shall contain, at a minimum, the information necessary to validate the authenticity of the electronic invoice, and other information as may be prescribed by the Bureau. The QR Code shall be clearly visible on both the electronic and printed versions of the invoice.

10. While the electronic invoicing of the taxpayer may be capable of electronically transmitting the copy of the invoice through email, apps or API, a printed copy of the electronic invoice shall be provided by the taxpayer-seller upon request by the buyer.

11. Any correction or adjustment to an issued electronic invoice shall be effected through a separate document. Adjustments resulting in a decrease in the invoiced amount shall be made through the issuance of a duly authorized Credit Note, while adjustments resulting in an increase in the invoiced amount, including the addition of sales and corresponding tax components, shall be made through the issuance of a new electronic invoice. **Under no circumstances shall an original electronic invoice be deleted, altered, or modified once issued.** All such documents shall clearly reference the original electronic invoice to which they relate.

12. Taxpayers not mandatorily required to comply with the electronic invoicing requirements on or before December 31, 2026 may voluntarily adopt electronic invoicing, provided that they secure a PTI Electronic Invoice from the concerned Revenue District Office/Large Taxpayers (LT) Assistance Division/Excise LT Regulatory Division/LT Division – Cebu/LT Division – Davao.

13. For taxpayers with registered branch offices, including those whose covered business activities are registered as branch offices, compliance with the requirements of RR No. 11-2025, as amended by RR No. 26-2025, shall apply to the taxpayer as a whole. Thus, the Head Office and all its Branch Offices shall be mandated to issue electronic invoices, regardless of whether the covered activity is undertaken at a particular branch.

14. In the event of system downtime, system unavailability, technical malfunction, internet connectivity issues, power interruption, cybersecurity incidents, force majeure events, or other circumstances that prevent the generation or issuance of an electronic invoice, the taxpayer shall use a manual invoice duly authorized by the Bureau to document the transaction in accordance with Section 237 of the Tax Code. Upon restoration of the system, all invoices manually issued during the downtime period shall be duly recorded and maintained for audit and reporting purposes.

    The occurrence of system downtime or technical issues shall not excuse the taxpayer from the obligation to issue an invoice for every sale, barter, exchange, or transaction, nor from compliance with record-keeping and reporting requirements prescribed by the Bureau.

15. All taxpayers required to issue electronic invoices shall secure a PTI Electronic Invoice from the BIR prior to issuance, which shall serve as the official authority to generate electronic invoices through a duly registered and compliant invoicing system.

    The application shall be filed with the concerned Revenue District Office/LT Assistance Division/Excise LT Regulatory Division/LT Division – Cebu/LT Division – Davao and must be supported by the sworn statement of compliance, process flow, sample electronic invoice and proof of system registration (including PTU or AC, whichever is applicable).

    The BIR shall evaluate the completeness and compliance of the submission within three (3) working days from receipt of complete documents. Upon approval, a PTI shall be issued specifying the approved software/system and its corresponding coverage. Provided, that any change in the identity, name, platform, or core software/system details of the approved electronic invoicing software/system, including migration to, replacement with, or adoption of another electronic invoicing software/system, shall require the issuance of a new or amended PTI, as may be applicable.

16. The PTI Electronic Invoice shall be issued per invoicing software/system and shall cover all branches utilizing the same duly registered or approved invoicing software/system. Accordingly, only the Head Office of the taxpayer shall file the application for the issuance, amendment, or renewal of the PTI on behalf of all covered branches or offices.

    Where a taxpayer uses different invoicing software/systems for different branches, offices, or business segments, a separate PTI shall be secured for each distinct invoicing software/system. The PTI shall clearly identify the invoicing software/system covered and the branches, offices, or business locations authorized to use such software/system. The addition of branches utilizing the same approved invoicing system shall not require the issuance of a new PTI number, provided that the taxpayer notifies the Bureau accordingly.

17. The electronic invoice generated through the registered/approved/accredited software/system with PTI, and issued electronically and/or subsequently printed, shall be recognized as a valid proof of transaction for taxation purposes and substantiation requirements under Section 34(A)(1)(b) of the Tax Code. Provided, that the electronic invoice issued is compliant with its definition, contains all the required information under existing rules and regulations, and its validity can be verified electronically or manually, as may be prescribed by the BIR.

18. All covered taxpayers shall continue to comply with the applicable electronic invoicing, notwithstanding any subsequent change in their classification under the EOPT framework, unless expressly reclassified or exempted by the Bureau through a separate issuance.

    Taxpayers reclassified to a higher category (e.g., Medium to Large, including inclusion under the Large Taxpayers Service) shall immediately comply with the requirements applicable to their new classification, including electronic invoicing and electronic sales reporting obligations, within such period as may be prescribed by the Bureau, which shall not be less than six (6) months from the date of reclassification.

    Taxpayers reclassified to a lower category (e.g., Small to Micro, Large to Medium, including delisting from the Large Taxpayers Service) shall continue to comply with the previously approved electronic invoicing requirement.

## V. EFFECTIVITY

This Circular shall take effect immediately.

All internal revenue officers, employees and others concerned are enjoined to give this Circular the widest dissemination and publicity as possible.

**CHARLITO MARTIN R. MENDOZA**
Commissioner of Internal Revenue