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BDB Law

DU-BALADAD AND ASSOCIATES

ADVISORY

SERIES OF 2026

Temporary Suspension of
Excise Taxes on Specific
Petroleum Products

**TEMPORARY SUSPENSION OF EXCISE TAXES ON SPECIFIC
 PETROLEUM PRODUCTS**

Covered Petroleum Products

- LPG**, except when used as raw materials for the production of petrochemical products or used for motive power; and
- Kerosene**, except when used as aviation fuel.

Note: The suspension applies only to petroleum products removed from the place of production or customs custody after the effectivity of EO No. 114.

Duration of Temporary Suspension

It shall be for a period of three (3) months from the effectivity of EO No. 114, Series 2026 or from **April 17, 2026 to July 17, 2026** but subject to monthly review.

Automatic Reversion of Rates

The excise tax rates shall automatically revert to the rates prescribed under Sec. 148 of the NIRC, as amended, upon the occurrence of any of the following:

- One (1) week after the one (1) month average Dubai crude oil price based on Mean of Platts Singapore (MOPS) falls below USD80 per barrel; or
- Expiration of the three-month period.

Monitoring and Inventory Requirement

The Bureau of Internal Revenue (BIR) and Bureau of Customs (BOC) shall submit to Congress a monthly report on the declared value and volume of the covered petroleum products every fifteenth day of the following month. The Department of Finance (DOF) shall conduct an inventory of existing stocks of LPG and kerosene.

Reportorial Requirements

Covered Taxpayer	Submission
Submission of Returns and Reports	
Manufacturers of domestically produced LPG and kerosene	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Tax returns indicating "zero" rated with remarks "EO NO. 114, SERIES OF 2026". <input checked="" type="checkbox"/> Official Register Books (ORBs) per removal of LPG and kerosene products
Importers of LPG and kerosene	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Tax returns to the BOC <input checked="" type="checkbox"/> Authority to Release Imported Goods (ARTIG) with remarks "EO NO. 114, SERIES OF 2026".
Stock Inventories	

BUREAU OF INTERNAL REVENUE
Revenue Regulation No. 03-2026
April 17, 2026

Concerned manufacturers, importers, and lessees of storage depots	Duly notarized inventories of all covered petroleum products as of April 16, 2026 to: i. Excise LT Field Operations Division (ELTFOD) for Revenue Regions Nos.: (4) Central Luzon (5) CaMaNaVa and Bulacan (6) City of Manila and Palawa (7A) Quezon City (7B) East NCR (8A) Makati City (8B) South NCR (9A) CaBaMiRo (9B) LaQEueMar ii. Excise Tax Area (EXTA) - in case taxpayers registered outside or RR Nos. 4 to 9B. Note: Submission must be made within 10 days from April 17, 2026 following the format in Annex A subject to verification.
Issuance of Withdrawal Certificates	
All Withdrawal Certificates issued for the removal of covered petroleum products covered by the suspension shall be prominently stamped with the phrase "STOCKS COVERED BY EO No. 114, SERIES OF 2026."	

Penalties

Corresponding penalties will be provided under Title X of the NIRC, and applicable regulations for violations and non-compliance of the provisions of this Regulation.

Effectivity

This Regulation takes effect immediately upon its complete publication in the Official Gazette or BIR Official Website, whichever comes first, or on April 17, 2026.

Source:

Revenue Regulation No. 03-2026
April 17, 2026

Learn more:

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Du-Baladad and Associates (BDB Law) is a multi-awarded, global tax law firm in the Philippines that offers services around 3 major areas of practice – **tax**, **legal** and **consulting**.

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