

## ADVISORY ON REVERSION OF RATES UNDER CREATE LAW

PAGE NOS.

**BIR REVENUE MEMORANDUM CIRCULAR  
NO. 69-2023**

**1**

Reversion of Rates of Percentage Tax, Minimum Corporate Income Tax, and Regular Corporate Income Tax on Proprietary Educational Institutions and Not for Profit Hospitals, pursuant to Republic Act No. 11534, Otherwise known as the 'Corporate Recovery and Tax Incentives for Enterprises Act'

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**BUREAU OF INTERNAL REVENUE  
REVENUE MEMORANDUM CIRCULAR  
NO. 69-2023**

**ADVISORY**

**Reversion of Rates of Percentage Tax (PT), Minimum Corporate Income Tax (MCIT), and Regular Corporate Income Tax (RCIT) on Proprietary Educational Institutions and Not for Profit Hospitals, pursuant to Republic Act No. 11534, Otherwise known as the 'Corporate Recovery and Tax Incentives for Enterprises Act'**

*Reverted rates effective July 1, 2023:*

Kinds of Tax	Tax Rate	Tax Base
<b>PT</b>	Three percent (3%)	<b>General Rule:</b> This applies to corporations, self-employed individuals and professionals whose gross sales or gross receipts are not exceeding the ₱3.0 million threshold  <b>Exception:</b> Cooperatives and self-employed individuals and professionals availing of the eight percent (8%) income tax rate
<b>MCIT</b>	Two percent (2%)	Gross income of domestic and resident foreign corporations, including offshore banking units and regional operating headquarters
<b>RCIT</b>	Ten percent (10%)	Taxable income of proprietary educational institutions and hospitals

*Manner of computation of relevant taxes for taxable year 2023:*

**If following the calendar year**

Period	MCIT/RCIT/PT
<b>Gross income/Taxable income/Quarterly sales or receipts from January 1, 2023 to June 30, 2023</b>	1%
<b>Gross income/Taxable income/Quarterly sales or receipts from July 1, 2023 to June 30, 2023</b>	2%/10%/3%

**If following the fiscal year**

Period	MCIT/RCIT/PT
<b>Gross income/Taxable income/Quarterly sales or receipts from X month to June 30, 2023</b>	1%
<b>Gross income/Taxable income/Quarterly sales or receipts from July 1, 2023 to X month</b>	2%/10%/3%

*Source: Revenue Memorandum Circular No. 69-2023*