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SUPREME COURT

A.M. NO. 25-03-14-SC – RE: PROPOSED RULE ON RECOGNITION OF FOREIGN DIVORCE OR JUDGMENT OF NULLITY OR ANNULMENT OF MARRIAGE

To improve the public's access to justice, the Supreme Court En Banc promulgated amendments designed to mitigate the time, effort, and costs required for a Filipino spouse to prove foreign laws on divorce in judicial recognition proceedings under Article 26(2) of the Family Code.

Under Administrative Matter (A.M.) No. 25-03-14-SC, the Court approved the following amendments to the Rules of Court:

1. Addition of Section 48-A to Rule 39 (Execution, Satisfaction and Effect of Judgments)

- Section 48-A provides that a foreign divorce between a Filipino and a foreigner, issued without restriction or qualification by a tribunal or administrative authority with jurisdiction, serves as presumptive evidence that the foreign spouse is capacitated to remarry under the applicable foreign law.
- If the divorce decree is in an unofficial language, an accompanying English translation duly attested under oath by a translator is presumed to be true and correct.
- The presumption of capacity to remarry and the correctness of the translation may be controverted by the adverse party.
- The foreign divorce may be repelled by presenting evidence of a want of jurisdiction, want of notice to the party, fraud, or a clear mistake of law or fact.

2. Introduction of New Disputable Presumption under Rule 131 (Burden of Proof Burden of Evidence and Presumptions), Section 3(II)

- Under Section 3(III) of the amended Rule 131, it is now a satisfactory presumption, unless contradicted by other evidence, that a foreign divorce between a Filipino and a foreigner, issued without restriction, capacitates the foreign spouse to remarry under the applicable foreign law.

3. Amendment to Rule 132 (Presentation of Evidence), Section 24

- Section 24 of Rule 132 was amended such that in opposing a divorce under Section 48-A of Rule 39, the oppositor may, among other modes allowed by the Rules, prove a foreign law on divorce, including its corresponding English translation, if any, by presenting in evidence a certified true copy of the same issued by the Office of the Court Administrator based on its repository of such foreign laws, without prejudice to the submission of proof that the said law has been modified, amended, or repealed, or that such English translation is inaccurate.

Click here for the full text of A.M. No. 25-03-14-SC

SUPREME COURT / SEC

SUPREME COURT–SECURITIES AND EXCHANGE COMMISSION (SEC) JOINT MEMORANDUM CIRCULAR (MC) NO. 01, SERIES OF 2026 – ACCEPTANCE AND INTEGRATION OF ELECTRONICALLY NOTARIZED DOCUMENTS IN SEC SYSTEMS AND TRANSACTIONS

On 13 October 2026, the Securities and Exchange Commission (SEC) and the Supreme Court issued Joint Memorandum Circular (JMC) No. 01, Series of 2026 to adopt and promulgate guidelines for the acceptance and integration of electronically notarized documents in SEC systems and processes. The JMC simplifies the submission, acceptance, verification, monitoring, and processing of electronically notarized documents for SEC applications, petitions, filings, and other transactions.

This welcome development is in line with the recent roll-out of the eNotarization Rules and in line with the Electronic Commerce Act of 2000 and the Ease of Doing Business Act of 2018. The regulatory framework of the Philippines continues to take positive turns to using digital systems to facilitate and expedite corporate registration and submission of reports, notices, and other documents required under the Revised Corporation Code.

Documents and forms to be submitted to the SEC may be electronically notarized by Electronic Notaries Public (ENPs) through Supreme Court accredited Electronic Notarization Facilities (ENFs). Electronically notarized documents remain subject to post-audit and review of the SEC by the security features that verify the authenticity, integrity, and compliance with requirements of the said documents.

While electronic notarization is now accepted, traditionally notarized documents remain acceptable in accordance with existing rules and regulations of the SEC.

(Continued on the next page)



SUPREME COURT / SEC

(SC-SEC JMC No. 01, Series of 2026, continued.)

What SEC departments and offices now accept eNotarized documents?

Currently, there are nine (9) SEC departments and offices that accept electronically notarized documents for transactions under their respective offices, as follows:

1. Company Registration and Monitoring Department;
2. Corporate Governance and Finance Department;
3. Enforcement and Investor Protection Department;
4. Financial Analysis and Audit Department;
5. Financing and Lending Companies Department;
6. Markets and Securities Regulation Department;
7. Office of the General Accountant;
8. Office of the General Counsel; and
9. SEC Extension Offices.

The SEC may further designate other departments or offices and determine other applications, filings, submissions, or transactions that may be governed by the eNotarization Rules.

How are electronically notarized documents processed and submitted?

They are submitted and processed based on the mode prescribed by the SEC department or office concerned for the particular transaction. For example, the Electronic Simplified Processing of Application for Registration of Company (eSPARC) Portal and the Electronic Application for Modification of Entity Data (eAMEND) Portal follow the process below:

1. Creating your user access through the respective portals
2. Downloading and accomplishing the system-generated forms that require notarization
3. If the user will have the documents electronically notarized, the user shall ensure that the electronic notarization is done through an ENF accredited by the Supreme Court
4. Uploading the electronically notarized documents through the portal and finalize the application.

Click here for the full text of SC-SEC JMC No. 01, Series of 2026

SEC

SEC NOTICE – ESEARCH ORDERING OF SEC DOCUMENTS FOR DIGITAL COPIES AND PICK-UP OF PHYSICAL COPIES

Effective 08 October 2026, the SEC expanded its Electronic SEC Education, Analysis, and Research Computing Hub (eSEARCH) portal to allow the ordering of physical copies (both plain and authenticated) of corporate records, in addition to plain digital copies, through the said portal.

The ordering process and pick-up guidelines are as follows:

Step-by-Step Ordering Process

1. **Account Registration:** Create or log in using a verified eSECURE account (https://esecure.sec.gov.ph).
2. **Search & Select:** In the eSEARCH Catalog tab, search by SEC Registration Number or Company Name, select the Form Type, Period Covered, Format (Digital vs. Physical Plain/Authenticated), and number of copies, then add to cart.
3. **Payment:** Check out and pay online via eSPAYSEC, then return to eSEARCH to refresh the payment status.
4. **Email Notifications:** Order Confirmation is sent upon payment confirmation, while Confirmation Receipt is sent once physical copies are verified, authenticated, and printed (1 to 2 business days from payment confirmation), indicating the assigned pick-up date.

Pick-Up Guidelines (For Physical Copies)

- **Venue:** 2/F, The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City.
- **Schedule:** Pick-up is permitted only on the confirmed schedule date indicated in the email notification.
- **"No Confirmation Receipt, No Pickup":** Claimants must present the necessary receipts for claiming.
- **Documentary Stamp Tax (DST):** Physical authenticated copies incur an additional PhP30.00 DST per copy.

Click here for the SEC Notice on eSEARCH Ordering dated 07 October 2026



SEC MC NO. 28, SERIES OF 2026 - SEC RULES ON MARKET MAKING

The SEC issued MC No. 28, s. 2026 on 15 October 2026, which provides for the regulatory framework for market making.

Coverage

- It primarily covers market making activities in equity securities and fixed income securities listed, traded, or enrolled on an Exchange and under the SEC's jurisdiction.
- However, it expressly excludes market making activities in government securities that are governed by the existing framework developed by the Bureau of the Treasury.

Accreditation of Market Makers

Under the Rules, trading partners of an exchange are required to secure a license from the SEC before it may act as a market maker.

Qualifications of Market Makers

In order to be accredited as a market maker, an applicant must possess the following qualifications:

- Maintain an unimpaired paid-up capital in accordance with the SEC's risk-based capitalization framework;
  - Provided, that such capital shall in no case be less than (PhP150,000,000.00), or such higher amount as the Commission may be prescribe, which the relevant Exchange may calibrate, subject to the SEC's approval, having regard to the asset class, liquidity profile and scale of the applicant's intended market making activity;
- Has shown operational capacity and track record, or its equivalent, such as a minimum period of continuous operation as a Trading Participant, or designated key personnel with relevant trading experience, satisfactory to the relevant Exchange;
- Has not been found to have violated any securities or commodities law or regulation that has become final and executory, within the two (2) years immediately preceding the application, by the SEC or its foreign counterparts, any domestic or foreign exchange or self-regulatory organization, or any domestic or foreign court of competent jurisdiction, taking into account the nature, gravity, and currency of the violation, and whether the same has already been fully resolved; and
- Has not been subject to any administrative or judicial order that permanently restrains, prohibits, suspends, or otherwise restricts its participation in any securities- or commodities-related business or activity.

Designation of Securities

The Rules also provide that the relevant Exchange shall designate securities eligible for market making.

- The issuer and/or the relevant Exchange may appoint more than one market maker for a designated security, and the governing Exchange's rules shall apply for the coordination and allocation of market making obligations among them.
- The eligibility of the Designated Security shall be periodically reviewed by the relevant Exchange.

Market Making Agreements

The Rules provide that no market maker shall undertake market making activities in a designated security unless a valid Market Making Agreement exists between the issuer and the market maker.

- The form of the Agreement may be a bilateral agreement, a participation letter, standardized Exchange form, or other such written instrument as approved by the relevant Exchange.
- The minimum contents of the Agreement shall be prescribed by the relevant Exchange subject to the SEC's approval.
- Any Agreement, its renewal, amendment, suspension, or termination shall be subject to the approval of the Exchange and notification to the SEC within three (3) business days following such approval.

Obligations of Market Makers

Generally, market makers shall perform its functions in a manner that ensures liquidity and maintains a fair and orderly trading market. The Rules lay out the following permissible acts of market makers:

- Trade for its own account in Designated Securities, in accordance with the Exchange's implementing guidelines;
- Engage in bona fide hedging transactions;
- Participate in block trades and other liquidity-enhancing mechanisms;
- Perform stabilization functions, subject to Rule XII of the Rules; and
- Undertake such other activities directly related to, or reasonably necessary for, the performance of its market making functions, as may be permitted under relevant rules and applicable laws.

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(SEC MC No. 28, Series of 2026, continued.)

In contrast, the Rules also provide prohibited acts of market managers to be those of engaging in any way to the practice of market manipulation, fraud, insider trading or other prohibited conduct under Title VII of the 2015 Implementing Rules and Regulations of the SRC, which includes, but is not limited to:

- Wash sales, matched orders or fictitious transactions;
- The creation of artificial prices or misleading market activity, including pump-and-dump schemes;
- The misuse of material non-public or privileged information obtained by reason of their role as Market Maker;
- Collusion with issuers or other market participants for the purpose of manipulating the price or trading activity of any security; and
- The dissemination of false or misleading information intended to influence the price of a Designated Security.

Incentives

The Rules also empower the Exchanges to grant incentives to market makers to encourage the provision of liquidity and effective performance of market making functions.

- Such incentives may include, but are not limited to, reduced transaction fees, liquidity rebates, simplified onboarding, and access to enhanced trading facilities and may be differentiated by asset class or product segment.
- Any incentive programs developed by the relevant Exchange shall be subject to prior review and approval of the SEC and must be periodically reviewed by the relevant Exchange against market making performance data.

Disclosure, Recording, Reporting

The Rules also provide that an Exchange shall maintain and publish on its website:

- Names of accredited Market Makers and the securities for which they are authorized to act as Market Makers;
- The list of Designated Securities;
- Applicable market making obligations, parameters, and performance standards prescribed by such Exchange under Rule VII or Rule VIII, as applicable;
- The commencement, termination, suspension, or material amendment of any market making arrangements;
- Any relationships between a Market Maker and the relevant issuer that are relevant to the market making arrangement; and
- Such other information as may be required to promote transparency and informed investor decision making, which may include aggregate market quality indicators such as average quoted spreads, quote presence, traded volume, and market depth.

Further, an Exchange must submit a quarterly report to the SEC relating to Market Maker performance and compliance, disciplinary actions and enforcement measures, utilization of incentive programs, liquidity metrics and market quality indicators, and such other information as the SEC may require.

Finally, the relevant Exchange shall also provide market makers with periodic reports on its own performance and compliance with the obligations under the Rules.

Obligations of Market Makers

On the part of market makers, the Rules provide that market makers are obliged to establish a risk management framework commensurate with the nature, scale, and complexity of their market making activities.

- Further, a market maker is also obliged to promptly notify the Exchange and, if required, the SEC of any event that materially affects or is reasonably expected to materially affect its ability to perform the market making obligations.
- Such notification shall be made as soon as practicable and no later than one (1) business day after the discovery of the event. Materiality of such events shall be up to the discretion of the relevant Exchange's implementing guidelines.

Further, the market makers are also empowered to engage in price stabilization in connection with public offerings, distinct from their ordinary market making activities subject to:

- Full disclosure to the market;
- Time-bound stabilization periods;
- Price limits as determined by the relevant Exchange; and
- Compliance with applicable SRC provisions and implementing rules on stabilization.

Click here for the full text of SEC MC No. 28, Series of 2026



SEC MC NO. 29, SERIES OF 2026 - AMENDMENTS TO THE 2015 IMPLEMENTING RULES AND REGULATIONS OF THE SECURITIES REGULATION CODE FOR THE REVISED GUIDELINES FOR CREDIT RATING AGENCY ACCREDITATION AND SUPERVISION (SRC RULE 39.1.5)

On 20 October 2026, the SEC issued MC No. 29, Series of 2026, which provides for the revised framework for Credit Rating Agencies (CRAs) in the Philippines. The revised framework incorporates International Organization of Securities Commissions (IOSCO) standards, expands the types of debt instruments covered, raises capitalization thresholds, and imposes stricter governance and safeguards to protect debt market investors.

The highlights of the Circular are as follows:

Expanded Scope of Covered Debt Instruments

- One of the key highlights of the said revised rules is the expanded scope of covered debt instruments. Structured products, sukuk (Islamic bonds), covered bonds, and sustainability-linked instruments are now covered.

Higher Paid-Up Capital Requirements

- The Circular likewise imposes a higher minimum paid-up capital requirement:

Milestone	New Applicants (Within 12 Months of Effectivity)	New Applicants (After 12 Months of Effectivity)	Existing Accredited CRAs
Initial Entry	PhP30 Million at the time of accreditation	PhP50 Million at the time of application	Existing baseline during transition
PhP50 Million Tier	Within 36 months from the Circular's effectivity	Already met at application	Within 36 months from the Circular's effectivity
PhP70 Million Final Tier	Within 72 months from the Circular's effectivity	Within 3 years from the effective date of accreditation	Within 72 months from the Circular's effectivity

Stricter Board Governance & Term Limits

- **Board Composition:** At least 30% of the board, including the Chairperson, must be independent directors. In no case shall there be fewer than three (3) members that are Independent Directors.
- **Term Limits:** Independent directors are limited to a fixed, non-renewable term not exceeding five (5) years. Incumbent independent directors exceeding five (5) cumulative years by the end of the twelve (12)-month transition period must be replaced.
- **Fit and Proper Standards:** Key CRA persons (Controllers, members of the Board of Directors, the Chief Executive Officer, senior management, members of the Rating Committee, Rating Analysts, and the Compliance Officer) must pass tailored Fit and Proper requirements.

Ownership Restrictions & Conflict-of-Interest Rules

- **SEC Approval for Control Changes:** Any direct or indirect transfer of shares resulting in a new controller requires prior SEC approval.
- **10% Ownership Ban:** CRAs are strictly prohibited from rating an entity if a person directly or indirectly holds 10% or more of the voting rights/ownership (or exercises significant influence) in both the CRA and the rated entity.
- **Ancillary Services:** CRAs may offer non-rating ancillary services only if they do not compromise rating independence and objectivity.
- **Lead Analyst Rotation:** Lead analysts may rate the same entity for a maximum of four (4) consecutive years, followed by a mandatory two (2)-year cooling-off period.

12-Month Transition Window

- Existing accredited CRAs have twelve (12) months from the effectivity of the MC to comply with the operational and reporting rules.

Click here for the full text of SEC MC No. 29, Series of 2026



LABOR & EMPLOYMENT

DEPARTMENT ORDER NO. 248-C, SERIES OF 2026 – AMENDING DEPARTMENT ORDER NO. 248-B, SERIES OF 2026, TO SIMPLIFY THE ALIEN EMPLOYMENT PERMIT (AEP) PROCESS

Department Order (DO) No. 248-C, issued by the Department of Labor and Employment (DOLE), simplifies the process for applying for an Alien Employment Permit (AEP) by amending the requirements prescribed by law:

1. Pre-requisites obtained from other government agencies, such as a Philippine Construction Accreditation Board License, Professional Regulation Commission Special Temporary Permit, Department of Justice Authority to Employ Alien, Department of Environment and Natural Resources Authority to Hire Foreign National, or proof of application for any of the aforementioned, are no longer required for the filing and evaluation of an AEP. However, applicants must still comply with the laws and regulations of these agencies.

2. Publication in a broadsheet at the applicant's expense is discontinued. Notice for the Labor Market shall instead be published in the Official Portal/Public Repository of the DOLE or alternatively filed with the Office of the National Administrative Register at the University of the Philippines Law Center.

3. The processing period is reduced from fifteen (15) to ten (10) working days, extendible once by ten (10) working days, within the twenty (20) working day maximum under Republic Act No. 11032 (Anti-Red Tape Act of 2007).

4. The accreditation of agents and appointment of authorized representatives under DO No. 221-A is dispensed with. Employers shall process applications through their own staff and shall be directly accountable for the documents submitted.

5. The Order of Payment Slip shall be issued only upon approval of the application after technical evaluation. No fee shall be collected upon submission.

6. The embassy or consulate of the foreign national's State may endorse an AEP application by an official note from its head or authorized officer attesting to the foreign national's identity and lack of derogatory record, to streamline evaluation.

Click here for the full text of DO No. 248-C, Series of 2026

PEZA

PHILIPPINE ECONOMIC ZONE AUTHORITY (PEZA) MEMORANDUM ORDER (MO) NO. 2026-027 – GUIDELINES FOR THE APPLICATION OF VAT ZERO-RATING CERTIFICATIONS FOR CY 2027

PEZA MO No. 2026-027 sets out the requirements and procedures for Registered Business Enterprises (RBEs) applying for VAT zero-rating certifications for Calendar Year 2027 under Republic Act (R.A.) No. 12066 (CREATE MORE Act). The certification allows qualified businesses to purchase certain goods and services from local suppliers without being charged VAT, provided these purchases are directly related to their registered business activities.

1. Applications for CY 2027 certifications may be filed from 05 October 2026 to 31 March 2027 through the PEZA The One Portal System (PTOPS). Applications filed after 31 March 2027 will only be valid starting from the date they are filed.

2. Registered Export Enterprises (REEs) must meet the applicable export-sales requirements to qualify. Generally, CREATE/CREATE MORE REEs must generate at least 70% of their sales from exports. Certain pre-CREATE Filipino-owned REEs still covered by applicable transitory provisions may continue to follow the 50% export-sales threshold, while covered pre-CREATE foreign-owned REEs must comply with the applicable 30% local-sales threshold or corresponding 70% export-sales threshold.

3. Domestic Market Enterprises may qualify as High-Value Domestic Market Enterprises (HVDMEs) if they meet either of two (2) conditions: (a) they have investment capital exceeding PhP15 Billion and operate in an import-substituting sector; or (b) they generated at least USD100 million in export sales during the immediately preceding year.

4. PEZA-registered ecozone developers, operators, and facilities enterprises must also meet certain requirements. At least 70% of their leasable or saleable areas must be dedicated to REEs. For ecozone utilities enterprises, at least 70% of the power demand or water supply they provide must be attributable to REEs. These enterprises must submit the prescribed notarized certifications to establish compliance.

5. REEs must submit a Sales Summary using PEZA's prescribed format, certified by an authorized company representative. The figures must be consistent with the company's accounting records, audited financial statements, EZMPRs, and PEZA records. For applications filed in the fourth quarter of 2026, the company's performance for the current calendar year will be considered, while applications filed in the first quarter of 2027 will be evaluated based on the immediately preceding calendar year.

6. The VAT zero-rating certification covers only purchases of goods and services that are directly related to the RBE's registered business activities, including necessary incidental expenses. It does not automatically cover all purchases made by the company. The certification is valid for the 2027 taxable year, provided the RBE continues to meet the applicable requirements.

7. RBEs are responsible for ensuring that their applications and supporting documents are complete and accurate, keeping records to support their claims, and using the certification only for qualified purchases. Failure to meet the requirements or submission of false or misleading information may result in the denial, cancellation, or withdrawal of the certification, without prejudice to other liabilities under applicable laws and regulations.

Click here for the full text of PEZA MO No. 2026-027



TAXATION

REVENUE REGULATIONS (RR) NO. 05-2026 – FURTHER AMENDING RR NO. 2-98, AS AMENDED, TO IMPOSE WITHHOLDING TAX ON GROSS REMITTANCES MADE BY THE INDEPENDENT ELECTRICITY MARKET OPERATOR OF THE PHILIPPINES FOR THE SALE OF ELECTRICITY

The Bureau of Internal Revenue (BIR), through Revenue Regulations (RR) No. 05-2026, further amends RR No. 2-98 by prescribing the rules on creditable withholding taxes on certain income payments. The amendment covers gross remittances for electricity sold through the Wholesale Electricity Spot Market (WESM), where generation companies and other market participants sell electricity. Under this arrangement, the Independent Electricity Market Operator of the Philippines (IEMOP), which facilitates electricity trading and settles these transactions, is designated as the withholding agent responsible for deducting and remitting the applicable tax to the BIR. Its key provisions include:

1. A 2% creditable withholding tax is imposed on the gross remittances made by IEMOP to generation companies and other market participants for electricity sold through the WESM. The tax is computed based on the total amount payable to the electricity sellers before any deductions.

2. IEMOP is designated solely as the withholding agent and is not considered to earn income from the remittances. It is therefore responsible for deducting the applicable tax from payments to electricity sellers and ensuring that the withheld amounts are properly remitted to the BIR.

3. IEMOP must remit the taxes withheld by filing the required withholding tax returns through the BIR's Electronic Filing and Payment System (eFPS). It must also submit the corresponding Alphabetical List of Payees through the BIR's eSubmission facility, in accordance with existing BIR regulations and prescribed deadlines.

4. IEMOP must issue each affected electricity seller a Certificate of Tax Withheld at Source (BIR Form No. 2307), which serves as proof of the tax withheld and may be used as a tax credit. The certificate must be issued on or before the twentieth (20th) day after the close of each taxable quarter or upon the seller's request.

5. IEMOP must also submit a certified list of electricity buyers to the Large Taxpayers Service's LT Document Processing and Quality Assurance Division on or before the last day of the month following the close of each taxable quarter, using the prescribed form under Annex "A" of the Regulations.

Click here for the full text of RR No. 05-2026

RR NO. 06-2026 – AMENDING THE MANDATORY INFORMATION CONTAINED IN THE INVOICE PURSUANT TO SECTION 6(8) OF RR NO. 07-2024 TO INCLUDE CREDITABLE WITHHOLDING TAX INFORMATION

The BIR issued RR No. 06-2026, which prescribes the inclusion of creditable withholding tax (CWT) as additional information required to be contained in an invoice. Section 6(B) of RR No. 07-2024 (Issuance of Invoices under Section 237 of the Tax Code) of the Tax Code is amended to include the requirement to show the amount of CWT, if applicable, as a separate item.

The RR contains a transitory provision that all unused or unissued invoices existing as of the effectivity date of RR No. 06-2026 may continue to be used by taxpayers until fully consumed, provided that the phrase "Less: Withholding Tax" is stamped conspicuously on the face of the invoice. Thereafter, all newly printed invoices shall reflect the same phrase prior to its use.

Related Issuance: RR No. 07-2024 – Implementing Sections 113, 235, 236, 237, 238, 242, 243 of the National Internal Revenue Code of 1997, as Amended by RA No. 11976 (Ease of Paying Taxes Act) on the Registration Procedures and Invoicing Requirements

Click here for the full text of RR No. 06-2026

RR NO. 07-2026 – AMENDING RR NO. 07-2010 RELATIVE TO THE BURDEN-SHARING AGREEMENT OF ESTABLISHMENTS CLAIMING SENIOR CITIZEN DISCOUNTS AS TAX DEDUCTION PURSUANT TO R.A. NO. 9994, OTHERWISE KNOWN AS THE "EXPANDED SENIOR CITIZENS ACT OF 2010"

To address recent implementation developments, particularly within the pharmaceutical sector, the BIR promulgated amendments to institutionalize mechanisms for sharing the financial burden of the mandated 20% senior citizen discount among retailers, manufacturers, distributors, and other entities in the supply chain. RR No. 07-2026 amends RR No. 07-2010 to align the tax deductibility of these discounts with the actual allocation of the financial burden. This alignment is consistent with the Department of Health (DOH)'s authority to establish burden-sharing arrangements under R.A. No. 9994 (Expanded Senior Citizens Act of 2010).

Specifically, RR No. 07-2026 expands the definition of "Establishment" to include retailers, manufacturers, and distributors of pharmaceutical products, allowing them to enter into documented burden-sharing agreements under DOH guidelines. Consequently, for tax purposes, if these entities share the financial burden of the discount, an establishment's deductible ordinary and necessary expense is now strictly capped at the portion corresponding to its share under the duly documented burden-sharing agreement.

Click here for the full text of RR No. 07-2026

Related Issuance: RR No. 07-2010 – Implementing the tax privileges provisions of RA No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", and prescribes the guidelines for the availment thereof



TAXATION

REVENUE MEMORANDUM CIRCULAR (RMC) NO. 107-2026 – CLARIFICATION ON CERTAIN ISSUES AND CONCERNS IN THE IMPLEMENTATION OF THE ENHANCED ELECTRONIC DOCUMENTARY STAMP TAX (EDST) SYSTEM PURSUANT TO RR NO. 28-2025

BIR RMC No. 107-2026 provides clarifications in the implementation of the Enhanced Electronic Documentary Stamp Tax (eDST) System. All taxpayers mandated to use the eDST System pursuant to RR No. 28-2025 are required to enroll in the system on or before **31 December 2026:**

1. Bank, quasi-bank or non-bank financial intermediary, finance companies, or insurance, surety, fidelity, or annuity companies;
2. Shipping and airlines companies;
3. Pre-need companies on sale of pre-need plans, as provided under Section 186 of the Tax Code;
4. Educational institutions, with respect to the issuance of taxable certificates such as Diploma, Transcript of Records, and other documents taxable as certificates under Section 188 of the NIRC of 1997, as amended.
5. National Government Agencies and its instrumentalities, including Government-Owned or Controlled Corporations (GOCCs), Local Government Units (LGUs) except barangays, with respect to documents taxable as certificates under Section 188 of the Tax Code, as amended;
6. Notaries Public, including those employed in law firms and other offices, whether public or private; and
7. Such other industries as may be required by the Secretary of Finance, upon recommendation of the Commissioner, through the issuance of a revenue regulation.

However, newly registered taxpayers covered by the mandate of the Enhanced eDST System shall enroll within ninety (90) days from the date of their registration with the BIR. Simultaneous to the enrollment in the eDST, enrollees must also:

1. Enroll in the Electronic Filing and Payment System (eFPS) for the filing of the Dcoumentary Stamp Tax Declaration/Return (BIR Form No. 2000) and the payment of the corresponding tax.
2. Attend an orientation on the use of the Enhanced eDST System to be conducted by the Miscellaneous Operations Monitoring Division (MOMD) every second Thursday of the month, as a pre-requisite to the use of the system.

Pending enrollment, taxpayers shall continue to comply with their documentary stamp tax obligations in accordance with existing laws, rules, and regulations. Upon the expiration of the prescribed enrollment period, all covered taxpayers shall use the Enhanced eDST System.

Further, notaries public who are employed by law firms or other offices, or who are engaged as third-party or outsourced service providers, shall enroll in the eDST System in their individual capacity and maintain their own eDST account, regardless of their employment or institutional affiliation and irrespective of the taxpayer for whom the notarial service is performed.

All taxpayers mandated to enroll in the Enhanced eDST System who fail to enroll within the prescribed period shall be considered non-compliant and shall be subject to the applicable penalties and sanctions under existing law, rules, and regulations upon enrollment.

Click here for the full text of RMC No. 107-2026

Related Issuance: RR No. 28-2025 - Implementing the Enhanced Version of the Electronic Documentary Stamp Tax System

RMC NO. 109-2026 – ANNOUNCING THE AVAILABILITY OF THE TAXPAYER PORTAL TO TAXPAYERS CLASSIFIED AS LARGE UNDER EASE OF PAYING TAXES ACT

Through RMC No. 109-2026, the BIR announced the avaitability and rollout expansion of the Taxpayer Portal for taxpayers classified as Large under the Ease of Paying Taxes (EOPT) Act. These taxpayers may enroll in the Taxpayer Portal to use the following system functionalities:

- Viewing of taxpayer registration information;
- Monitoring of status of filed tax returns per Tax Type/Form Type;
- Tracking of tax payments;
- Viewing of Account Ledger per Tax Type/Form Type; and
- Receiving of system-generated notifications and tax reminders.

According to the BIR, with the features of the Taxpayer Portal, the need for manual follow-ups and in-person visits to BIR offices will be reduced. For enrollment assistance and technical concerns or issues regarding the accuracy of taxpayer records reflected in the taxpayer account in the Taxpayer Portal, taxpayers are advised to coordinate directly with the respective Revenue District Office where they are registered.

Click here for the full text of RMC No. 109-2026



TAXATION

RMC NO. 110-2026 – PRESCRIBING THE ACCREDITATION, TECHNICAL, OPERATIONAL, SECURITY, DATA GOVERNANCE, INSTITUTIONAL, LEGAL, AND CONTINUING COMPLIANCE REQUIREMENTS FOR ELECTRONIC INVOICING SOLUTIONS OF ELECTRONIC INVOICING SERVICE PROVIDERS (ESPS)

The BIR, through RMC No. 110-2026, establishes mandatory accreditation and continuing compliance requirements for electronic invoicing solutions offered by Electronic Invoicing Service Providers (ESPs).

Its key provisions include:

1. The Circular covers ESP solutions providing electronic invoicing, electronic sales reporting, and related services. Internally developed systems, or licensed software operated on a taxpayer's own infrastructure, are excluded when used exclusively by that taxpayer and its registered branches. Services extended to affiliates or other separate juridical entities are generally covered unless exempted by the BIR.

2. Covered solutions require a valid BIR accreditation certificate before commercial deployment or use in live taxpayer transactions. Applicants must pass documentary, financial, technical, cybersecurity, interoperability, and operational assessments. Documentary compliance alone is insufficient.

   For each of the immediately preceding three (3) years, applicants must demonstrate that they operated or supported systems collectively capable of processing at least 5,000,000 transactions annually and supporting at least 1,000 active user or customer accounts per year.

3. Accreditation applies only to the approved solution, version, modules, interfaces, and deployment configuration. It is valid for five (5) years, subject to annual compliance review and continuous monitoring. Renewal must be done at least sixty (60) calendar days before expiration. Material changes require prior BIR approval and immediate revalidation; non-material updates do not require reaccreditation.

4. Where electronic sales reporting applies, data must be transmitted in real time or near real time, within three (3) calendar days from the transaction. During outages, the system must securely preserve and queue data for retransmission within three (3) calendar days after restoration. Critical security, integrity, availability, or transmission incidents must be reported to the BIR within twenty-four (24) hours, subject to any shorter prescribed period.

5. Taxpayers retain ownership of their underlying business records. Data transmitted to, or stored specifically for, the BIR falls under BIR custody and control; ESPs acquire no proprietary rights over such data. ESPs must support secure access and migration and cannot withhold records because of unpaid fees, contractual disputes, termination, or a change of provider. Fees must be transparent and disclosed before onboarding. Data preservation and migration duties continue despite suspension, revocation, or contract termination.

6. ESP accreditation does not replace taxpayer-level system registration, the Permit to Issue Electronic Invoice, or other required approvals. Taxpayers retain their statutory tax compliance duties. However, they shall not be administratively penalized for transmission failures caused solely by an ESP operating an accredited solution if they exercised reasonable diligence, timely reported the incident, and followed prescribed contingency procedures. The correct taxes remain payable.

Violations may result in corrective action, restrictions on accepting new clients, or suspension or revocation of accreditation. Immediate temporary suspension is permitted for imminent and material risks, subject to subsequent notice and an opportunity to respond. Other applicable liabilities remain enforceable.

The RMC provides for immediate effectivity. **However, a subsequent BIR Tax Advisory extended the accreditation application deadline to 01 December 2026.** Complete applications must be submitted to the ESP Accreditation Board Secretariat, Client Support Service, Room 610, BIR National Office, Quezon City.

Related Advisory: BIR Tax Advisory - Extension of Deadline for Applications for Accreditation as Electronic Invoicing Service Providers (ESPs)

Click here for the full text of RMC No. 110-2026



TAXATION

RMC NO. 112-2026 – CLARIFYING THE PROVISIONS OF RR NO. 06-2026 ON THE SEPARATE PRESENTATION OF CREDITABLE WITHHOLDING TAX IN SALES INVOICES, AND PROVIDING TRANSITORY GUIDELINES THEREOF

On 12 October 2026, the BIR issued RMC No. 112-2026 to clarify the provisions of RR No. 06-2026 regarding the required presentation of Creditable Withholding Tax (CWT) in Sales Invoices and its transitory guidelines. CWT is the creditable income tax required to be deducted and withheld at source by the buyer or payor, as defined under Section 57(B) of the Tax Code and Section 2.57.2 of RR No. 02-98, as amended. A transaction is subject to CWT when the buyer or payor is required to withhold CWT from the payment under the Tax Code and other revenue issuances.

Under RR No. 06-2026, businesses are required to include CWT as additional information in an invoice. An illustration of an invoice with the required information is further provided in Annex B-1 and B-2 of RMC No. 112-2026.

Considering the transitory period for compliance and the proper classification of transactions subject to CWT, RMC No. 112-2026 provided the following guidelines:

1. Classification of transactions subject to CWT.

Transactions classified as business-to-business (B2B) or business-to-consumer (B2C) do not automatically become subject to CWT. They only become subject to CWT when the buyer or payor is required to withhold as a withholding agent.

- In a B2C transaction, if the buyer is not a withholding agent, then the transaction is not subject to CWT; an exception to this is sale of real property treated as ordinary assets of individuals.
- For B2B, business-to-government (B2G), professional, rental, contractor, commission, and similar transactions, the buyer or payor should disclose the applicable withholding information before the seller finalizes the invoice. This allows the seller to show the correct CWT amount and net collectible amount at the time the invoice is issued.

When a transaction is not subject to CWT, then no CWT amount is required to be stamped, indicated, or shown as a separate item in the invoice. Accordingly, unused manual invoices or other invoicing systems or software that have not yet been modified to include a CWT field may continue to be issued without the field or amount for transactions subject to CWT, the absence of the field does not invalidate the invoice. The matrix of compliance period and transitory treatment by invoicing method is discussed in detail in Annex A of the RMC.

2. Determining if CWT applies and when an amount shall be shown on the invoice.

Buyer or Payor's Primary Obligation	Seller or Payee's Primary Obligation
1. Determine if it is required to deduct and withhold CWT from the payment under the applicable provisions of the Tax Code, RR No. 09-28, and other issuances. 2. If required to deduct and withhold CWT, determine the income-payment classification, Alphanumeric Tax Code (ATC), withholding tax rate, tax base, and amount to be withheld, when determinable at the time of the issuance of invoice.	1. The seller or payee shall **not be required to independently determine or presume** an undisclosed withholding obligation of the buyer or payor. 2. The seller or payee may rely in good faith on the withholding information communciated by the buyer or payor, ***unless*** the seller knows or should reasonably know that the information from the buyer or payor is erroneous, incomplete, or inconsistent with the nature of the transaction.

What if the seller reflected incomplete or incorrect CWT on the invoice because the buyer failed to timely provide complete and correct withholding information?

- The seller is not solely liable for the incomplete or incorrect CWT details on the invoice, ***unless*** the seller knew or had reasonable basis to know that the transaction was subject to CWT or that the withholding information provided by the buyer was incorrect.
- In this case, an investigation or assessment regarding noncompliance with the invoicing requirement will consider the information reasonably available to the seller at the time of invoice issuance. The seller shall substantiate its good faith reliance through available supporting records and documents.

What if the seller fails to show CWT as a separate invoice item when the transaction is subject to CWT and the amount is reasonably determinable at the time of invoice issuance?

- The seller may be held liable for noncompliance with the invoice-information requirement under Section 6(B) of RR No. 07-2024, as amended by Section 2 of RR No. 06-2026.
- The omission shall not relieve the buyer or payor of its separate obligation to correctly determine, deduct, remit, report, and certify the applicable CWT.

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(RMC No. 112-2026, continued.)

What if it was later on discovered that there is a discrepancy between the CWT on the invoice and the amount determined by the buyer or payor?

- The discrepancy shall be reconciled before payment. Any subsequent determination, correction, or revision of the applicable CWT amount of withholding information shall be documented through a BIR-registered Credit Memo and cross-referenced to the original invoice to preserve the audit trail.
- The Credit Memo shall not reduce the gross sale or VATable sales output or output VAT. It serves only to document the CWT and net amount.

3. Applicable rules for merchants or sellers with e-marketplace or digital intermediaries

- If the e-marketplace operator, online platform, digital financial services provider, or similar intermediary is required to withhold CWT from its remittance to a seller or merchant under RR No. 16-2023, RMC No. 08-2024, and other revenue issuances, the seller or merchant shall issue the invoice to the buyer or consumer for the full amount of the sale.
  - This applies whether the seller or merchant operates exclusively online or maintains a physical store or other sales channel.
- The invoice issued to the buyer or consumer shall contain the phrase:
  - **"Less: Withholding Tax"** or **"Less: Creditable Withholding Tax"** or **"Less: CWT"**
- Since the buyer or consumer is not the withholding agent for the platform remittance, the CWT withheld by the e-marketplace or digital services ploatform shall not be reflected as a deduction from the amount payable by the buyer or consumer. The CWT field in the buyer's or consumer's invoice may be left blank or marked as "N/A" or "0.00".
- The e-marketplace operator, online platform, digital financial services provider, or similar intermediary shall separately reflect the CWT deducted from the online merchant's remittance in the settlement statement, remittance advice, or similar document issued to the seller or merchant.
  - It shall likewise issue the applicable Certificate of Creditable Tax Withheld at Source in accordance with existing revenue issuances.
- No sales invoice shall be issued by the seller or merchant solely upon receipt of the net remittance from the platform, since the underlying sale has already been covered by the invoice issued to the buyer or consumer.
- However, if the platform purchases the goods or services as principal, resells them in its own name, or is otherwise the buyer or payor identified in the invoice, the seller shall issue the invoice to the platform and shall show the applicable CWT as a separate item when the amount is available or reasonably determinable at the time of invoice issuance.

Invoicing System	Required Compliance	Period to complete the necessary system modification or reconfiguration
CAS or CBA with Accounting Records (with electronic invoicing) and other invoicing software covered by the mandatory electronic invoice issuance requirement under RR No. 11-2025, as amended by RR Nos. 26-2025 and 98-2026.	The system must be capable of capturing, processing, generating, and preserving the applicable CWT information.	Not later than 31 December 2026, or later date as may be prescribed by a revenue issuance.
POS or other invoicing systems that are not yet subject to the mandatory electronic invoice issuance requirement	The system must contain the CWT field as an available electronic invoice data element and should be capable of generating and displaying the corresponding CWT amount, whenever applicable.	Not later than 31 March 2027, or on date as may be prescribed by the vCommissioner.
CRM	The system must be able to generate the CWT field as a separate invoice system. The CRMs shall be capable of generating the phrase and amount in every invoice issued. During the transition period, taxpayers may continue using their registered CRMs without the prescribed CWT functionality.	Beginning 01 April 2027, all CRMs shall be capable of generating the prescribed phrase and amount in every invoice issued. The period applies unless the BIR prescribes an earlier compliance date for CRM through subsequent revenue issuance.

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(RMC No. 112-2026, continued.)

Pending the modification or reconfiguration of existing invoicing system or software, the transitory procedures will apply when the particular transaction is subject to CWT.

If a transaction is subject to CWT, the seller shall **conspicuously stamp, print, or legibly write on the face of the printed system-generated invoice the phrase "Less: Withholding Tax" or "Less: Creditable Withholding Tax" or "Less: CWT"** together with the corresponding CWT amount, both in the original and reprint copies, if applicable. The information shall be indicated before the invoice is issued to the buyer or payor.

The transitory method shall not alter the original invoice number, gross sales, sales record, electronic journal, or audit trail. The seller shall record the full amount of the sale and separately recognize the CWT as a tax credit, as applicable.

The transitory treatment shall cease upon modification or reconfiguration of the invoicing system, or upon expiration of the applicable compliance period, whichever occurs first.

Full compliance requirements and prescribed transitory treatment are summarized in Annex A of the RMC. Meanwhile, samples of a compliant invoice are provided in Annex B-1 and B-2 of the RMC. The periods prescribed in RMC No. 112-2026 shall not suspend the requirement to reflect the applicable CWT information in a transaction subject to CWT through the prescribed transitory method until the full system modification or reconfiguration is completed.

Click here for the full text of RMC No. 112-2026

Annexes:
- Annex "A" - Summary Matrix of Compliance Periods and Transitory Treatment by Invoicing Method
- Annex "B-1" - Required Information Contained in the Invoices (VAT Invoice)
- Annex "B-2" - Required Information Contained in the Invoices (Non-VAT Invoice)

RMC NO. 113-2026 – SUSPENSION OF THE MANDATORY DISPLAY OF THE BIR REGISTRATION SEAL BADGE

Pursuant to RMC No. 113-2026, the mandatory display of the BIR Registration Seal Badge prescribed under RMC No. 38-2026, as supplemented by RMC Nos. 64-2026 and 99-2026, is suspended until further notice.

The Circular clarifies that taxpayers who have already secured their BIR Registration Seal Badges may continue to display the same on their online platforms, at their option. Further, no penalties shall be imposed solely on account of non-display of the BIR Registration Seal Badge during the period of suspension.

Click here for the full text of RMC No. 113-2026

