REVENUE REGULATIONS NO. 3-2026 issued on April 17, 2026 implements Executive Order (EO) No. 114, Series of 2026 titled "Temporarily Suspending the Excise Taxes on Specific Petroleum Products Pursuant to Section 148 of Republic Act No. 8424 or the National Internal Revenue Code of 1997, As Amended".

Beginning April 17, 2026, the imposition of Excise Taxes on the following covered petroleum products is suspended:

a. LPG, except when used as raw material for the production of petrochemical products or used for motive power; and

b. Kerosene, except when used as aviation fuel.

The suspension of Excise Taxes shall apply only to these petroleum products removed from the place of production or customs custody after the effectivity of the EO.

The temporary suspension of Excise Taxes on the covered petroleum products shall be for a period of three (3) months from the effectivity of the EO. The suspension shall be subject to monthly review by the Development Budget Coordination Committee (DBCC), which shall recommend to the President the continuation, modification, extension, or termination thereof.

The Excise Tax rates on the covered petroleum products shall automatically revert to the rates prescribed under Section 148 of the National Internal Revenue Code (NIRC), without the need for further issuances, 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 USD 80 per barrel, as certified by the Department of Energy; or

- Upon expiration of the three months in the preceding paragraph.

During the duration of the suspension, the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) shall submit to Congress a monthly report on the declared value and volume of the covered petroleum products based on:

a. For the BIR: Authorities to Release Imported Goods for imported petroleum products, and the Official Registry Books of manufacturers for locally-produced petroleum products.

b. For the BOC: Customs Entries filed in the E2M System.

Such monthly report shall be submitted every fifteenth (15^{th}) day of the following month.

The Department of Finance (DOF), through the BIR and the BOC, shall conduct an inventory of existing stocks of LPG and kerosene as of the effectivity of the EO.

Revenue Officer On Premises (ROOPs) shall continue performing their duties of monitoring the activities of taxpayers in their establishments pursuant to Sections 5 and 6 of the NIRC, without prejudice to further legal action as the circumstances may warrant.

For the effective implementation of the EO, the following guidelines shall be followed:

a. *Submission of Returns and Reports*:

   i. Manufacturers of domestically-produced LPG and kerosene shall:

      - Continue to submit the corresponding tax returns with the BIR indicating the corresponding tax rate as "zero" with remarks "EO NO. 114, SERIES OF 2026". All other pertinent fields shall be filled out in the regular course of business; and

      - Submit the corresponding Official Register Books (ORBs) per removal of LPG and Kerosene products.

   ii. Importers of LPG and kerosene products shall:

      - Continue to submit the corresponding tax returns to the BOC; and

      - Secure the corresponding Authority to Release Imported Goods (ATRIG) with remarks "EO NO. 114, SERIES OF 2026".

b. *Stock Inventories.* Concerned manufacturers, importers, and lessees of storage depots shall submit duly notarized inventories of all covered petroleum products as of April 16, 2026 to Excise LT Field Operations Division (ELTFOD) in the case of taxpayers registered within Revenue Region (RR) Nos. 4 (Central Luzon), 5 (CaMaNaVa and Bulacan), 6 (City of Manila and Palawan), 7A (Quezon City), 7B (East NCR), 8A (Makati City), 8B (South NCR), 9A (CaBaMiRo) and 9B (LaQueMar) or to the concerned Excise Tax Area (EXTA) in the case of taxpayers registered outside of RR Nos. 4 to 9B, within ten (10) days after the effectivity of the EO, in the prescribed format in Annex "A". These sworn statements shall likewise be subjected to verification as required under existing regulations and issuances.

c. *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".

Violations of the provisions of these Regulations, including non-compliance with the reportorial requirements, shall be subject to the corresponding penalties provided for under Title X of the NIRC, and applicable regulations.