REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
National Office Building
Quezon City

Bringing In Revenues for Nation-Building

BAGONG PILIPINAS

March 26, 2026

REVENUE MEMORANDUM ORDER NO. 009-2026

TO : **All Revenue Officials and Employees Concerned**

SUBJECT : **Prescribing the Allocation of the CY 2026 BIR Collection Goal by Implementing Office**

I. BACKGROUND

The Department of Finance (DOF) initially set the Bureau of Internal Revenue's (BIR) overall collection goal for CY 2026 at ₱3.580 Trillion. This target, based on the FY 2026 BESF per 191st DBCC dated June 23, 2025, exceeds the CY 2025 actual collection of ₱3.110 Trillion by ₱470.086 Billion, or 15.12%. The CY 2026 collection goal consists of ₱3.456 Trillion from BIR Operations and ₱123.902 Billion from Non-BIR Operations.

Subsequently, the BIR's CY 2026 collection target was revised to ₱3.431 Trillion as approved through the 192nd DBCC meeting on December 9, 2025. The Emerging Revenue Target is ₱148.622 Billion or (4.15%) lower than the previous goal of ₱3.580 Trillion but remains ₱321.463 Billion (10.34%) higher than the CY 2025 actual collection.

II. OBJECTIVE

This Order is issued to establish the following:

1. The policies, methodology and guidelines to be applied in the allocation of the CY 2026 Collection Goal; and
2. The resulting distribution of the collection goal to the Large Taxpayers Service (LTS) and the Revenue Regions (RRs), including Large Taxpayers Divisions (LTDs)/Revenue District Offices (RDOs).

III. DEFINITION OF TERMS

A. Collections from Non-BIR Operations – refer to Final Withholding Tax (under Income Taxes) and Documentary Stamp Tax collections arising from transactions involving Government Securities.

B. Collections from BIR Operations – consist of Income Taxes, Value-Added Tax, Excise Taxes, Percentage Taxes, and Other Taxes generated from transactions not classified as Non-BIR Operations.

C. Implementing Offices (IOs) – refer to the BIR's collecting offices, namely the LTS, RRs and the LTDs/RDOs.

IV. GENERAL POLICIES AND GUIDELINES

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The following policies and guidelines were observed in relation to the data requirements and the allocation methodology employed in computing the collection goals of IOs:

A. Data Used

1. CY 2025 Actual Collections from the Revenue Accounting Division (RAD), as reconciled with the Bureau of the Treasury (BTr) as of February 24, 2026.
2. Refinements applied to the CY 2025 Collections data:
    a. Non-recurring transactions from January to December, 2025 (Source: RRs/RDOs Reports submitted as of February 20, 2026), the criteria under the Attrition Law (RA 9335) with Joint Implementing Rules and Regulations (Department of Finance (DOF), Bureau of Internal Revenue (BIR), Bureau of Customs (BOC)) and the amended Rules and Regulations per RMC No. 60-2021 dated May 17, 2021 was considered based on the following definition:

    > "Non-recurring transactions shall refer to one-time transactions that are substantial in amount (i.e., the amount of ten percent (10%) or more of a District's Collections for the particular month) including the following: (i) Capital Gains Taxes from the sale of real properties or shares of stocks (on a per transaction basis) (ii) Documentary Stamp Taxes (iii) Estate and Donor's Taxes and (iv) Special Projects.

    The Attrition Law further clarifies that, for the BIR, the term "District" refers to a Revenue Region. Provided, however, that the Large Taxpayer Service (LTS) shall be deemed a District for purposes of the Act and its implementing rules and regulations.

    Accordingly, the determination of non-recurring transactions of a Revenue District Office (RDO) or Large Taxpayer Division (LTD) must be based on the total collection of the corresponding Revenue Region or LTS, as applicable, for any particular month.

    Applying this criterion, however, presents significant difficulty for the implementing offices in qualifying non-recurring transactions at the RDO/LTD level. Hence, for Calendar Year 2025, the following alternative methodologies were adopted:

    1. Four percent (4%) of the RDO's/LTD's total annual collection for the immediately preceding year; or
    2. Ten percent (10%) of the RDO's/LTD's collection for any given month of the immediately preceding year;

    b. Registration Fee collections, which will no longer be imposed following the implementation of the Ease of Paying Taxes (EOPT) Act, January to December 2025 (Source: BIR Form No. 1209 Reports, as of February 12, 2026);

    c. Collections from Estate Tax Amnesty, January to December 2025 (Source: Assessment Performance Monitoring Division Report, as of September 10, 2025);

d. Collections from enlisted Large Taxpayers, these exclude collections from Capital Gains Tax as well as Creditable Withholding Taxes on the Sale of Real Property and the corresponding Documentary Stamp Taxes, which shall remain with the RDO having jurisdiction of where the property is located (Source: Information Systems Development and Operations Service/ Information Systems Group, as extracted from Integrated Tax Systems-Collections and Bank Reconciliation as of January 18, 2026);

e. Collections from identified transferred-in and transferred-out taxpayers, such as those arising from significant business restructuring, relocation, or similar movements, including closures of business with material collections, were duly considered. These collections were properly documented, with detailed information on tax filings and payments by tax type for closed businesses, transferred-in taxpayers, and transferred-out taxpayers, to ensure accurate accounting (Source: RDO Reports as of February 20, 2026);

f. Collections from Excise Taxes (Source: BIR Form No. 1209 Reports, as of February 12, 2026); and

g. Non-cash collections such as Tax Remittance Advice (TRA) including remittance from Department of Public Works and Highways (Source: Miscellaneous Operations Monitoring Division (MOMD), January 28, 2026) and Special Allotment Release Order (SARO) (Source: RAD, February 12, 2026).

3. Other Data Considered:

   a. CY 2026 Macroeconomic Assumptions and Indicators (Sources: FY 2026 BESF, 191st DBCC dated June 23, 2025 and 2026 Emerging Collection, 192nd DBCC meeting held on December 9, 2025);

   b. CY 2026 Collection Goal by Major Tax Type (Sources: FY 2026 BESF, 191st DBCC dated June 23, 2025 and 2026 Emerging Collection, 192nd DBCC meeting held on December 9, 2025);

   c. Data on Taxes on Treasury Bills (Government Securities) dated June 23, 2025, FY 2026 BESF, DBCC and December 9, 2025, Emerging Collection, DBCC meeting and the estimated corresponding Documentary Stamp Tax sourced from BTr dated December 22, 2025;

   d. Collections from VAT on Digital Services (Source: MOMD, as of January 22, 2026);

   e. Collections from Corporate Income Tax (Source: BIR Form No. 1209 Reports, as of February 12, 2026); and

   f. Collections from Bank Deposits - Corporate and Individual (Source: BIR Form No. 1209 Reports, as of February 12, 2026).

B. Goal Allocation by Implementing Office

Given the abovementioned BESF and Emerging Collection Goals, this Order prescribes the Allocation of the CY 2026 BIR Collection Goals, by Implementing Office (IO), considering the following:

BESF Goal

1. The trend of the monthly collection goal for CY 2026 follows the CY 2025 actual collection trend, less collections that would affect the normal trend or seasonality of the collections across months in CY 2026. These comprise Non-recurring transactions which include those that qualified within the threshold

prescribed under RA No. 9335 (Lateral Attrition Act) and other special non-recurring transactions which account for at least 4% of CY 2024 total annual collection of the RDOs or 10% of RDO's collection for a particular month, collections on Philippine Offshore Gaming Operators (POGO), Business Closure, Estate Tax Amnesty, Non Cash Collection (TRA/SARO), 1702Q adjustments of payments and collections on Registration Fees which shall no longer be collected due to the approval of Ease of Paying Taxes (EOPT) Act;

2. The CY 2026 Goal for BIR Operations amounting to ₱3,456.012 Billion is composed of Existing and New Measures amounting to ₱3,434.686 Billion and ₱21.326 Billion, respectively.

   a. Goal Allocation by IO:

   a.1. Existing Measures

   1. The CY 2025 Refined Collection was computed by deducting collections from Non-Recurring Transactions, Registration Fees, Estate Tax Amnesty, Non-cash (TRA/SARO) transactions, Excise Taxes, and by adding or deducting, as applicable, the collections of Enlisted/Delisted and Transferred-in/Transferred-out taxpayers assigned to the concerned IOs for CY 2025.

   2. The CY 2026 Total Goal for Excise Taxes, amounting to ₱359.651 Billion, was apportioned among the concerned offices as follows:

   2.1. The Excise Taxes Goal for the following products was directly assigned to LTS:

EXCISE TAXES	AMOUNT (In Billion Pesos)
Total	**357.820**
Alcohol Products	132.073
Tobacco Products	166.566
Mining	10.016
Automobiles	6.543
Tobacco Inspection Fee	0.010
Miscellaneous	0.501
Sweetened Beverages	42.091
Cosmetics Procedures	0.020

   2.2. The Excise Tax Goal from Mining, amounting to ₱1.831 Billion, was distributed among the Revenue Regions (RRs) using a ratio-and-proportion approach based on their respective CY 2025 actual collections from Mining.

   3. Non-cash collections were not subjected to regular rate of increase for collection growth purposes.

   4. The CY 2026 Collection Goals of the IOs for the remaining tax types, amounting to ₱2,930.371 Billion, were derived by applying a uniform growth rate of 17.11% to their respective Refined CY 2025 collections. This growth rate corresponds to the percentage increase in the Total CY 2026 BIR Operations Goal, net of special taxes, relative to the Total CY 2025 BIR Refined Collection.

5. The Total Goal on Existing Measures is the sum of items "a.1.2", "a.1.3" and "a.1.4".

a.2. New Measures

The Goal on New Measures, amounting to ₱21.326 Billion, includes revenues from the Value-Added Tax on Digital Services (DS), Windfall Tax on Mining, Royalty on Mining, CREATE MORE (CIT), the Capital Markets Efficiency Promotion Act (CMEPA), among others, and was allocated to the concerned Implementing Offices (IOs), where applicable.

a.3 The Total CY 2026 Goal by IO is the sum of the goals from both Existing Measures and New Measures.

b. Goal Allocation by Major Tax Type and by Month:

The Total CY 2026 Goals of the IOs, as presented in Table 5A, were allocated on a monthly basis and by major tax type, based on the following:

b.1. The Total CY 2026 targets assigned to the IOs by tax type were aligned with the corresponding programs reflected in BESF; and

b.2. The monthly distribution of the goals was based on the pattern of Refined CY 2025 Monthly Collections.

3. The CY 2026 Goal for Non-BIR Operations, amounting to ₱123.902 Billion, was derived using the following considerations:

a. The FWT on Government Securities which was allocated based on the monthly trend provided by BTr; and

b. The DST on Government Securities was sourced from the monthly program furnished by the BTr.

Emerging Goal

1. The total monthly emerging collection goals from January to December 2026 were based on the joint allocation by the Bureau and DOF presented during the meeting held on February 18, 2026;
2. The CY 2026 Emerging Goal for BIR Operations amounting to ₱3,307.390 Billion is composed of Existing and New Measures amounting to ₱3,434.686 Billion and ₱21.326 Billion, respectively.

a. Goal Allocation by IO:

a.1. Existing Measures

1. The CY 2025 Refined Collection was computed by deducting collections from Non-Recurring Transactions, Registration Fees, Estate Tax Amnesty, Non-cash (TRA/SARO) transactions, Excise Taxes, and by adding or deducting, as applicable, the collections of Enlisted/Delisted and Transferred-in/Transferred-out taxpayers assigned to the concerned IOs for CY 2025.

2. The CY 2026 Total Emerging Goal for Excise Taxes, amounting to ₱359.059 Billion, was apportioned among the concerned offices as follows:

   2.1. The Excise Taxes Goal for the following products was directly assigned to LTS:

EXCISE TAXES	AMOUNT (In Billion Pesos)
Total	**356.999**
Alcohol Products	128.623
Tobacco Products	172.493
Mining	11.270
Automobiles	5.752
Tobacco Inspection Fee	0.008
Miscellaneous	0.354
Sweetened Beverages	38.473
Cosmetics Procedures	0.025

Totals may not add up precisely due to rounding.

   2.2. The Excise Tax Goal from Mining, amounting to ₱2.060 Billion, was distributed among the Revenue Regions (RRs) using a ratio-and-proportion approach based on their respective CY 2025 actual collections from Mining.

3. Non-cash collections were not subjected to regular rate of increase for collection growth purposes.

4. The CY 2026 Emerging Collection Goals of the IOs for the remaining tax types, amounting to ₱2,782.341 Billion, were derived by applying a uniform growth rate of 11.19% to their respective Refined CY 2025 collections. This growth rate corresponds to the percentage increase in the Total CY 2026 Emerging BIR Operations Goal, net of special taxes, relative to the Total CY 2025 BIR Refined Collection.

5. The Total Emerging Goal on Existing Measures is the sum of items "a.1.2", "a.1.3" and "a.1.4".

a.2. New Measures

The Emerging Goal on New Measures, amounting to ₱21.326 Billion, includes revenues from the Value-Added Tax on Digital Services (DS), Windfall Tax on Mining, Royalty on Mining, CREATE MORE (CIT), the Capital Markets Efficiency Promotion Act (CMEPA), among others, and was allocated to the concerned Implementing Offices (IOs), where applicable.

a.3. The Total CY 2026 Emerging Goal by IO is the sum of the goals from both Existing Measures and New Measures.

b. Goal Allocation by Major Tax Type and by Month:

The Total CY 2026 Emerging Goals of the IOs, as presented in Table 5A, were allocated on a monthly basis and by major tax type, based on the following:

b.1. The total CY 2026 emerging targets assigned to the IOs by tax type were aligned with the corresponding programs, as agreed during the 192nd DBCC meeting held on December 9, 2025; and b.2. The monthly distribution of the emerging goal was based on the agreement during the joint meeting of the Bureau and DOF on the proposed monthly and quarterly distribution of the goal, convened on February 18, 2026.

3. The CY 2026 Emerging Goal for Non-BIR Operations, amounting to ₱123.902 Billion, was derived using the following considerations:

   a. The FWT on Government Securities which was allocated based on the monthly trend provided by BTr; and

   b. The DST on Government Securities was sourced from the monthly program furnished by the BTr.

C. Attachments

The following tables are attached (per BESF and Emerging Goals) for the reference of all concerned revenue officials and personnel:

TABLE I –BESF Goal

Table 1	Macroeconomic Indicators and Assumptions, CY 2026 (BESF)
Table 2	Monthly Collection Goal Allocation by Major Tax Type, CY 2026 (BESF)
Table 3	Total Collection Goal Allocation by Implementing Office, CY 2026 (BESF)
Table 4	Collection Goal Allocation by Implementing Office and Major Tax Type, CY 2026 (BESF)
Table 5A	Monthly Total Collection Goal Allocation by Implementing Office, CY 2026 (BESF)
Table 5B	Monthly Collection Goal Allocation for Income Taxes by Implementing Office, CY 2026 (BESF)
Table 5C	Monthly Collection Goal Allocation for Excise Taxes by Implementing Office, CY 2026 (BESF)
Table 5D	Monthly Collection Goal Allocation for Value-Added Tax by Implementing Office, CY 2026 (BESF)
Table 5E	Monthly Collection Goal Allocation for Percentage Taxes by Implementing Office, CY 2026 (BESF)
Table 5F	Monthly Collection Goal Allocation for Other Taxes by Implementing Office, CY 2026 (BESF)

TABLE II – Emerging Goal

Table 1	Macroeconomic Indicators and Assumptions, CY 2026 (Emerging)
Table 2	Monthly Collection Goal Allocation by Major Tax Type, CY 2026 (Emerging)
Table 3	Total Collection Goal Allocation by Implementing Office, CY 2026 (Emerging)
Table 4	Collection Goal Allocation by Implementing Office and Major Tax Type, CY 2026 (Emerging)
Table 5A	Monthly Total Collection Goal Allocation by Implementing Office, CY 2026 (Emerging)
Table 5B	Monthly Collection Goal Allocation for Income Taxes by Implementing Office, CY 2026 (Emerging)
Table 5C	Monthly Collection Goal Allocation for Excise Taxes by Implementing Office, CY 2026 (Emerging)

Table 5D	Monthly Collection Goal Allocation for Value-Added Tax by Implementing Office, CY 2026 (Emerging)
Table 5E	Monthly Collection Goal Allocation for Percentage Taxes by Implementing Office, CY 2026 (Emerging)
Table 5F	Monthly Collection Goal Allocation for Other Taxes by Implementing Office, CY 2026 (Emerging)

D. Other Requirement

The Deputy Commissioner for Operations Group and the Assistant Commissioner of LTS shall provide the Deputy Commissioner for Resource Management Group the individual goal allocation of the concerned personnel assigned in the implementing units under their respective jurisdictions, within ten (10) working days upon the issuance of this Order.

To clarify, the BESF-based collection goal will remain the official revenue target of the Bureau of Internal Revenue for compliance with the Attrition Act of 2005 (Republic Act No. 9335), while the Emerging Collection Goal will serve as the operational benchmark for agency performance measurement, cash management, budget execution, and mandated reporting to stakeholders, unless instructed otherwise by the DBCC or DBM.

Nothing herein shall be construed as authorizing the imposition of administrative sanctions solely on the basis of revised collection goal variances absent proof of willful neglect or bad faith.

V. EFFECTIVITY

This Order shall take effect immediately.

CHARLITO MARTIN R. MENDOZA
Commissioner of Internal Revenue

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