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

Bringing In Revenues
for Nation-Building

BAGONG PILIPINAS

JUN 04 2026

REVENUE MEMORANDUM CIRCULAR NO. 060-2026

SUBJECT	:	**Amendment of Revenue Memorandum Circular No. 116-2024 re: Inclusion of Lifeline Subsidy and Green Energy Auction Allowance as Government Mandated Charges Not Subject to Output Tax and Creditable Withholding Tax on VAT and Income**
TO	:	**All Internal Revenue Officers And Others Concerned**

In line with Republic Act No. 11976, otherwise known as "Ease of Paying Taxes (EOPT) Act", as implemented by Revenue Regulations (RR) Nos 3-2024 and 7-2024, this circular is being issued to amend Revenue Memorandum Circular (RMC) No. 116-2024 re: Inclusion of Lifeline Subsidy and Green Energy Auction Allowance as government mandated charges not subject to Output Tax and Creditable Withholding Tax on VAT and Income. Accordingly, Q&A No. 3 of RMC No. 116-2024 is hereby amended to read as follows:

"Q3: Are the government mandated charges subject to Output Tax and consequently on Creditable Withholding on VAT and Income?

A3: The following mandated government charges shall not be subject to Output Tax and Creditable Withholding Tax on VAT and Income.

1. Energy Tax under Batas Pambansa Blg. 36;
2. Universal Charges (UC) under Sec. 34 of R.A. No. 9136 (EPIRA);
3. Benefits to Host Communities under Sec. 66 of R.A. 9136 (EPIRA) and DOE Energy Regulations No. 1-94;
4. Feed-in Tariff Allowance (FIT-All) under ERC Res. 24, Series of 2013;
5. National and Local Franchise Taxes under Section 9 of RA No. 9511 and Art. III of ERC Res. No. 02, Series of 2021, respectively;
6. Real Property Tax (RPT) under Art. II of ERC Res. No. 02, Series of 2021;
7. **Lifeline Subsidy under Section 1 of ERC Res. No. 02, Series of 2026; and**
8. **Green Energy Auction Allowance (GEA-All) under ERC Res. No. 6, Series of 2025."**

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BY: TIME: 4:46 pm

All other revenue memorandum circulars and rulings inconsistent herewith are hereby amended, modified or repealed accordingly.

All internal revenue officers and employees are hereby enjoined to follow, observe and give this Revenue Memorandum Circular as wide publicity as possible.

This Circular shall take effect immediately.

CHARLITO MARTIN R. MENDOZA
Commissioner of Internal Revenue

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