January 27, 2026

REVENUE MEMORANDUM ORDER NO. 003-2026

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

SUBJECT : **Further Amending Revenue Memorandum Order No. 14-2025, as Amended, Prescribing the Revised Allocation of the CY 2025 BIR Collection Goal by Implementing Office**

I. BACKGROUND:

The Department of Finance (DOF) initially set the Bureau of Internal Revenue (BIR)'s CY 2025 overall collection goal at ₱3.232 Trillion, based on the FY 2025 Budget of Expenditures and Sources of Financing (BESF), Development Budget Coordination Committee (DBCC) Ad Referendum dated June 27, 2024. This target represents an increase of ₱380.871 Billion or 13.36%, compared to the actual collection of ₱2.852 Trillion in CY 2024.

Based on the series of meetings conducted by the DBCC, where BIR submitted letters requesting for reduction of goal, the BIR's CY 2025 collection target was adjusted. In a Memorandum dated September 5, 2025, the DOF informed the BIR of its Emerging Collection Goal of ₱3.219 Trillion, based on the approved revenue program during the 191st DBCC meeting on June 23, 2025 and adopted in the DBCC Ad Referendum dated August 29, 2025. This revised target is ₱13.014 Billion (0.40%) lower than the previous goal of ₱3.232 Trillion, but remains ₱367.857 Billion (12.90%) higher than the CY 2024 actual collection.

Following the 192nd DBCC meeting on December 9, 2025, the DOF presented a revised Emerging Collection Goal at ₱3.102 Trillion, which is ₱130.575 Billion (4.04%) lower than the BESF goal of ₱3.232 Trillion and ₱117.561 Billion (3.65%) lower than the earlier adjusted goal of ₱3.219 Trillion, yet still ₱250.296 Billion (8.78%) higher than the CY 2024 actual collection.

II. OBJECTIVE:

This Order is being issued to further amend Revenue Memorandum Order (RMO) No. 14-2025, as amended, dated March 12, 2025 to account for macroeconomic changes, calamities or disasters and other issues affecting economic growth, consistent with Section 4 of the National Internal Revenue Code (NIRC), the DBCC-approved BESF and Emerging Collection Goals, and the Department of Budget and Management (DBM) Agency Performance Review guidelines.

III. AMENDMENT:

The provision on General Policies and Guidelines of RMO No. 14-2025, as amended, is hereby further amended as follows:

A. Data Used

1. CY 2024 Actual Collection from Revenue Accounting Division (RAD), as reconciled with the Bureau of the Treasury (BTr), as of February 21, 2025.

2. Data considered as refinements to CY 2024 Collections:

    a. Non-recurring transactions from January to December 2024, which include those that qualified within the threshold prescribed under Republic Act No. 9335 (Attrition Act of 2005) and other special non-recurring transactions which account for at least 4% of CY 2024 total annual collection of the Revenue District Offices (RDOs) or 10% of RDOs' collection for a particular month (Source: RRs/RDOs Reports submitted as of October 14, 2025);

    b. Monthly 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 over the place where the property is located (Source: ISDOS/ISG, as extracted from ITS-CBR as of September 7, 2025);

    c. Collections from Value-Added Tax (VAT) on Digital Service Providers (DSPs) (Source: Collection Programs Division updated as of October 22, 2025);

    d. Collections from Registration Fees from January to December 2024 (Source: BIR Form No. 1209 Reports, updated as of February 26, 2025);

    e. Collections from Estate Tax Amnesty from January to December 2024 (Source: BIR Form No. 1209 Reports, updated as of February 26, 2025);

    f. Collections from identified Transferred-in/out Taxpayers (e.g. significant business restructuring/movement, etc.) (Source: RDO Reports as of February 25, 2025);

    g. Collections from Excise Taxes (Source: BIR Form No. 1209 Reports, updated as of February 26, 2025); and

    h. Collections from Tax Remittance Advice (TRA) including remittance from the Department of Public Works and Highways (DPWH) (Source: MOMD, January 9, 2026) and SARO 2024 (Source: RAD, January 6, 2026).

3. Other Data Considered:

   a. CY 2025 Macroeconomic Assumptions and Indicators (Sources: FY 2025 BESF, DBCC Ad Referendum dated June 27, 2024 and 2025 Emerging Collection, 192nd DBCC Ad Referendum approved on December 9, 2025);

   b. CY 2025 Collection Goal by Major Tax Type (Sources: FY 2025 BESF, DBCC Ad Referendum dated June 27, 2024 and Emerging Collection, DBCC Ad Referendum approved on August 29, 2025); and

   c. Data on Tax on T-bills (Government Securities) dated June 27, 2024, FY 2025 BESF, DBCC Ad Referendum dated August 29, 2025, Emerging Collection, DBCC Ad Referendum and estimated corresponding DST (Source: BTr dated November 29, 2024).

B. Goal Allocation by Implementing Office

Given the abovementioned BESF and Emerging Collection Goals, this Order prescribes the Revised Allocation of the CY 2025 BIR Collection Goals by Implementing Office (IO), considering the following:

Revised BESF Goal

1. The trend of the monthly collection goal for CY 2025 follows the CY 2024 actual collection trend, less collections that would affect the normal trend or seasonality of the collections across months in CY 2025. These comprise of non-recurring transactions, which include those that qualified within the threshold prescribed under RA No. 9335 and other special non-recurring transactions which account for at least 4% of CY 2024 total annual collection of the RDOs or 10% of RDOs' collection for a particular month, collections on Philippine Offshore Gaming Operators (POGO), Business Closure and Estate Tax Amnesty, and collections on Registration Fees which shall no longer be collected due to the implementation of the Ease of Paying Taxes (EOPT) Act;

2. The BESF collection goal is composed of collection goals from BIR operations and non-BIR operations amounting to ₱3.131 Trillion and ₱101.916 Billion, respectively;

3. The goal on Excise Taxes were allocated to concerned offices, as follows:
   a. Excise Taxes except Mining (₱324.960 Billion) – Large Taxpayers Service (LTS); and
   b. Excise Taxes on Mining (₱12.837 Billion) – concerned IOs, where applicable;

4. Goal on New Measures amounting to ₱21.979 Billion includes VAT on DSPs, Windfall Tax on Mining, Royalty on Mining, Single-use Plastics, Tax on Passive Income, Tax on Financial Intermediaries, Tax on Transactions (e.g. DST), Corporate Income Tax (CIT) from CREATE MORE and Prospectivity on Final Withholding Taxes on Interest Income, Long-Term Negotiable Certificate of Deposits (LTNCDs), and etc., was allocated to concerned IOs, where applicable;

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

6. The increase in the BIR operation's goal net of special taxes (₱2.620 Trillion), relative to the CY 2024 refined collection net of special taxes (₱2.279 Trillion), is recorded at 14.98%;

7. The goal from BIR operations, net of special taxes, was distributed pro-rata to all IOs based on their corresponding CY 2024 refined collection; and

8. The total revised BESF goal per IO shall be computed as the sum of the goal from BIR operations, net of special taxes, and the allocated goal for special taxes, in accordance with the methodology prescribed under RMO No. 14-2025, as amended, utilizing updated data for refinements.

Emerging Goal

1. The total monthly Emerging Collection Goals from January to October 2025 were based on the proposed Monthly and Quarterly Revenue Program for 2025, presented by the DOF during the 191st DBCC meeting, as initial goal adjustment on June 23, 2025. The adjustment in the final Emerging Collection Goal per DBCC meeting on December 9, 2025 was allocated to the last two months of the year, with 30% assigned to November 2025 and 70% to December 2025;

2. The Emerging Collection Goal is composed of collection goals from BIR operations and non-BIR operations amounting to ₱2.987 Trillion and ₱114.457 Billion, respectively;

3. The goal on Excise Taxes were allocated to concerned offices, as follows:
    a. Excise Taxes except Mining (₱318.008 Billion) – LTS; and
    b. Excise Taxes on Mining (₱10.890 Billion) – concerned IOs, where applicable;

4. The Emerging Collection Goal FY 2025 New Measures target of ₱1.018 Billion is lower by ₱20.961 Billion (95.37%) as compared to new measures amounting to ₱21.979 Billion in RMO No. 14-2025, as amended. The collection goals on the said New Measures were allocated pro rata to concerned IOs, where applicable;

5. Non-cash collections including DPWH remittance shall not be subjected to regular rate of increase because non-cash collections from government agencies are beyond the control of the IO;

6. The decrease of ₱113.256 Billion or 4.32% in the collection goal from BIR operations, net of special taxes, per revised 2025 BESF goal allocation, was applied pro-rata to the corresponding monthly collection goals of all IOs for CY 2025;

7. The total Emerging Collection Goal per IO is the sum of the goal from BIR operations, net of special taxes and the allocated goal for special taxes following the methodology used in RMO No. 14-2025; and

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

TABLE I – Revised BESF Goal

Table 1	Macroeconomic Indicators and Assumptions, CY 2025 (BESF)
Table 2	Revised Monthly Collection Goal Allocation, By Major Tax Type, CY 2025 (BESF)
Table 3	Revised Total Collection Goal Allocation, By Implementing Office, CY 2025 (BESF)
Table 4	Revised Collection Goal Allocation, By Implementing Office and Major Tax Type, CY 2025 (BESF)
Table 5A	Revised Monthly Total Collection Goal Allocation, By Implementing Office, CY 2025 (BESF)
Table 5B	Revised Monthly Collection Goal Allocation for Income Taxes, By Implementing Office, CY 2025 (BESF)
Table 5C	Revised Monthly Collection Goal Allocation for Excise Taxes, By Implementing Office, CY 2025 (BESF)
Table 5D	Revised Monthly Collection Goal Allocation for Value-Added Tax, By Implementing Office, CY 2025 (BESF)
Table 5E	Revised Monthly Collection Goal Allocation for Percentage Taxes, By Implementing Office, CY 2025 (BESF)
Table 5F	Revised Monthly Collection Goal Allocation for Other Taxes, By Implementing Office, CY 2025 (BESF)

TABLE II – Emerging Collection Goal

Table 1	Revised Macroeconomic Indicators and Assumptions, CY 2025 (Emerging)
Table 2	Revised Monthly Collection Goal Allocation, By Major Tax Type, CY 2025 (Emerging)
Table 3	Revised Total Collection Goal Allocation, By Implementing Office, CY 2025 (Emerging)
Table 4	Revised Collection Goal Allocation, By Implementing Office and Major Tax Type, CY 2025 (Emerging)
Table 5A	Revised Monthly Total Collection Goal Allocation, By Implementing Office, CY 2025 (Emerging)
Table 5B	Revised Monthly Collection Goal Allocation for Income Taxes, By Implementing Office, CY 2025 (Emerging)
Table 5C	Revised Monthly Collection Goal Allocation for Excise Taxes, By Implementing Office, CY 2025 (Emerging)
Table 5D	Revised Monthly Collection Goal Allocation for Value-Added Tax, By Implementing Office, CY 2025 (Emerging)
Table 5E	Revised Monthly Collection Goal Allocation for Percentage Taxes, By Implementing Office, CY 2025 (Emerging)
Table 5F	Revised Monthly Collection Goal Allocation for Other Taxes, By Implementing Office, CY 2025 (Emerging)

C. Other Requirement:

The Deputy Commissioner for Operations Group and the Assistant Commissioner of the 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 BIR for compliance with RA 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.

IV. CONTINGENCY ADJUSTMENT CLAUSE:

The Commissioner of Internal Revenue may authorize further recalibration or realignment of collection goals and allocations prescribed under this Order, upon approval or guidance of the DBCC or DBM, in the event of macroeconomic shocks, force majeure events, significant legislative or policy changes, or other extraordinary circumstances affecting revenue performance.

V. REPEALING CLAUSE:

This Order supersedes all revenue issuances or portions thereof inconsistent herewith.

VI. EFFECTIVITY:

This Order shall take effect immediately.

CHARLITO MARTIN R. MENDOZA
Commissioner of Internal Revenue

B-3