

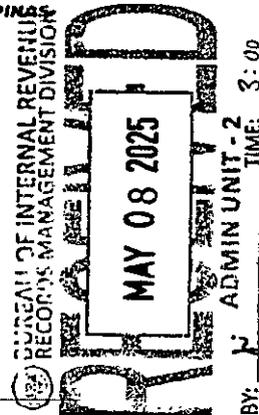


REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
QUEZON CITY



REVENUE MEMORANDUM CIRCULAR NO. 048-2025

SUBJECT: Clarification on the Computation of Excise Tax on Mineral Products
To: All Revenue Officials, Employees and Other Concerned



This Circular is issued to clarify the provisions of *Revenue Regulations (RR) No. 1-2018* on the computation of excise tax on mineral products. Specifically, it provides guidance on the applicable foreign exchange rate pursuant to *Revenue Memorandum Circular (RMC) No. 12-2024*, as well as the remedy available to taxpayers in case of excess excise tax payments under *Section 229 of the National Internal Revenue Code (NIRC) of 1997*, as amended.

- Q1:** What is the official reference for determining the applicable foreign exchange rate in computing excise tax?
- A1:** The applicable foreign exchange rate for both provisional and final excise tax computations shall be based on the official reference rates published by the Bankers Association of the Philippines (BAP).
- Q2:** Which foreign exchange rate shall be used for the provisional computation of excise tax on exported mineral products?
- A2:** The provisional computation of excise tax, required for the export permit application, shall be based on the spot foreign exchange rate published by the Bankers Association of the Philippines (BAP) as of the date of the export permit application.
- Q3:** Which foreign exchange rate shall be used for the final computation of excise tax on exported mineral products, as determined upon the final assay and issuance of the final invoice?
- A3:** The final excise tax computation, as adjusted upon the issuance of the final assay report and final invoice, shall be based on the weighted average foreign exchange rate as of the date of shipment, as published by the Bankers Association of the Philippines (BAP).
- Q4:** When is a mineral product deemed shipped?
- A4:** A mineral product shall be deemed shipped upon the issuance of the bill of lading, which serves as the official document confirming its exportation.

Q5: What is the prescribed deadline for issuing the final invoice for exported mineral products?

A5: The final invoice for exported mineral products shall be issued within Ninety (90) days from the date of actual exportation, as indicated in the bill of lading, based on the determined actual market value.

Q6: Which foreign exchange rate shall be used for the provisional computation of excise tax on mineral products sold domestically (e.g., sales to a domestic corporation or a resident foreign corporation engaged as a mineral processing plant) when the sale is denominated in foreign currency?

A6: The provisional computation of excise tax on mineral products sold domestically shall be based on the spot foreign exchange rate published by the Bankers Association of the Philippines (BAP) as of the date of the application for the permit to transport.

Q7: Which foreign exchange rate shall be used for the final computation of excise tax on mineral products sold domestically (e.g., sales to a domestic corporation or a resident foreign corporation engaged as a mineral processing plant) when the sale is denominated in foreign currency?

A7: The final computation of excise tax on mineral products sold domestically, as adjusted upon the issuance of the final assay report, shall be based on the weighted average foreign exchange rate as of the date of the final sales invoice, as published by the Bankers Association of the Philippines (BAP).

Q8: What is the available remedy for a taxpayer in case of excess excise payment?

A8: In cases where a taxpayer has overpaid excise tax as a result of foreign exchange fluctuations (when the provisional computation exceeds the final computation), the taxpayer may file a claim for refund pursuant to *Section 229 of the National Internal Revenue Code (NIRC) of 1997*, as amended, and the applicable revenue regulations issued by the Bureau of Internal Revenue (BIR).

Q9: What is the deadline for filing a claim for refund of excess excise tax payments?

A9: Pursuant to *Section 229 of the National Internal Revenue Code (NIRC) of 1997*, as amended, a taxpayer must file a claim for a refund of excess excise tax payments within two (2) years from the date of payment. Such claims shall be subject to the documentary requirements and procedures prescribed under existing laws and regulations.

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

