



Bringing In Revenues
for Nation-Building

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

National Office Building
Quezon City



**BAGONG
PILIPINAS**

10 JUN 2025

REVENUE MEMORANDUM CIRCULAR NO. 055-2025

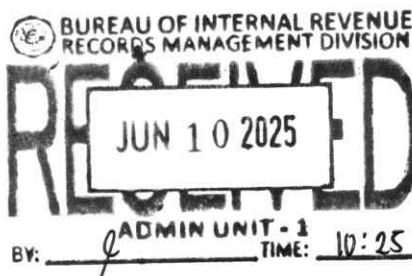
SUBJECT: Clarifying Section 24 of Republic Act No. 12214, entitled “AN ACT AMENDING SECTION 22, 24, 25, 27, 28, 32, 34, 38, 39, 42, 51, 52, 56, 57, 127, 149, 174, 176, 179, 190, 199, AND 258 OF REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES”

TO: All Internal Revenue Officials, Employees and Others Concerned

Pursuant to Section 24 of Republic Act (RA) No. 12214, otherwise known as the “Capital Markets Efficiency Promotion Act” (CMEPA), Section 258 of the National Internal Revenue Code of 1997, as amended (Tax Code), is further amended to read as follows:

“SEC. 24. Section 258 of the National Internal Revenue Code of 1997, as amended, is hereby further amended to read as follows:

SEC. 258. Unlawful Pursuit of Business. – Any person who carries on any business without registering the same in accordance with Section 236 shall, upon conviction for each act or omission, be punished by a fine of not less than Five thousand pesos (P5,000) but not more than Twenty thousand pesos (P20,000) and imprisonment of not less than six (6) months but not more than two (2) years: Provided, That in the case of a person engaged in the business of distilling, rectifying, repacking, compounding, or manufacturing any article subject to excise tax, he shall, upon conviction for each act or omission, be punished by a fine of not less than Thirty thousand pesos (P30,000) but not more than Fifty thousand pesos (P50,000) and imprisonment of not less than two (2) years but not more than four (4) years.”
(Underscoring supplied)




Based on the above amendment, any person who carries on any business without registering the same with the Bureau of Internal Revenue in accordance with Section 236 of the Tax Code shall, upon conviction for each act or omission, be punished by a fine of not less than ₱5,000 but not more than ₱20,000, and imprisonment of not less than six (6) months but not more than two (2) years.

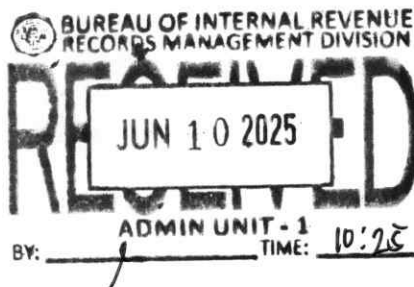
In the case of a person engaged in the business of distilling, rectifying, repacking, compounding, or manufacturing any article subject to excise tax, the penalty shall be a fine of not less than ₱30,000 but not more than ₱50,000, and imprisonment of not less than two (2) years but not more than four (4) years.

The recent amendment not only clarifies but firmly reinforces that the crime of Unlawful Pursuit of Business and its penalty under Section 258 of the Tax Code applies to failure to register a business, not to the non-payment of the ₱500.00 annual registration fee, which has already been repealed under RA No. 11976 (Ease of Paying Taxes Act).

All internal revenue officials and employees are hereby enjoined to give this Circular as wide a publicity as possible.




ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue



K-1