



Legal Watch

CUSTOMS MEMORANDUM CIRCULAR 111-2026



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SUMMARY

This Circular disseminates Revenue Regulations No. 003-2026, which implements Executive Order No. 114, series of 2026, temporarily suspending the imposition of excise taxes on liquefied petroleum gas (LPG) and kerosene beginning 17 April 2026. The suspension applies to LPG, except when used as raw material for petrochemical production or for motive power, and to kerosene, except when used as aviation fuel.

The suspension covers only petroleum products removed from the place of production or customs custody after the effectivity of the Executive Order and shall run for three months, subject to monthly review by the Development Budget Coordination Committee.

The regulations also provide for automatic reversion of excise tax rates, upon the occurrence of any of the following, whichever comes first: 1) one week after the one (1)-month average Dubai crude oil price based on MOPS falls below USD80 per barrel, as certified by the Department of Energy (DOE); or 2) upon expiration of the three-month period.

Notably, the importers of LPG and Kerosene products shall continue to submit the correso din tax returns to the BOC and secure the corresponding Authority to Release Imported Goods (ATRIG) with remarks "EO No. 114 series of 2026."

* Agency Name

Bureau of Customs (BOC)

* Issuance Title

Revenue Regulations No. 003-2026, Implementing Executive Order No. 114, Series of 2026, Temporarily Suspending the Excise Taxes on Specific Petroleum Products Pursuant to Section 148 of Republic Act No. 8424 or the 'National Internal Revenue Code of 1997', as Amended

* Issuance Date

24 April 2026

* Link

<https://customs.gov.ph/wp-content/uploads/2026/04/2026CMC-111-2026.pdf>





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ACTIONABLE ADVICE

Concerned entities should determine whether their LPG and kerosene products fall within the scope of the temporary excise tax suspension under Revenue Regulations No. 003-2026 and Executive Order No. 114, including applicable exclusions based on use. If covered, they may adjust importation practices so that excise taxes are no longer paid upfront, avoiding the need for refund claims.

However, importers must still file the required tax returns and secure an ATRIG with the proper remarks. They should also monitor the automatic reversion of excise taxes under Republic Act No. 8424, as amended, since taxes will again become immediately due once the suspension ends.

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