REVENUE MEMORANDUM CIRCULAR NO. 52-2005 issued on October 3, 2005 reiterates the Value-Added Tax (VAT) liability of the tollway industry.

VAT Ruling No. 045-03 declared that with the promulgation of Republic Act 7716 restructuring the VAT system, services of all franchise grantees, except radio and/or television broadcasting companies whose annual gross receipts of the preceding year does not exceed ₱10 Million and electric, gas and water utilities, are already subject to VAT.

Accordingly, the tollway industry and all other franchise grantees must comply with the law and regulations on the VAT.