January 31, 2006

REVENUE MEMORANDUM CIRCULAR NO. 7-2006

SUBJECT: Publishing the Full text of the Memorandum from Executive Secretary Eduardo R. Ermita dated January 31, 2006 Approving the Recommendation of the Secretary of Finance to Increase the Value Added Tax Rate from Ten Percent to Twelve Percent

TO: All Internal Revenue Officials, Employees and Others Concerned

For the information and guidance of all internal revenue officers, employees and others concerned, quoted hereunder is the full text of the Memorandum from Executive Secretary Eduardo R. Ermita dated January 31, 2006:

“MEMORANDUM FROM THE EXECUTIVE SECRETARY

TO: Secretary, Department of Finance

Cc: Commissioner, Bureau of Customs
    Commissioner, Bureau of Internal Revenue

SUBJECT: RECOMMENDATION TO INCREASE THE VALUE ADDED TAX RATE FROM 10 PERCENT TO 12 PERCENT EFFECTIVE FEBRUARY 1, 2006

DATE: January 31, 2006
Pursuant to your recommendation contained in your Memorandum for the President dated January 30, 2006, copy hereto attached, please be informed that the same has been approved by the President, pursuant to Section 4 of Republic Act (RA) No. 9337.

By authority of the President:

(Original Signed)
EDUARDO R. ERMITA
Executive Secretary

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

(Original Signed)
JOSE MARIO C. BUÑAG
Commissioner of Internal Revenue