

S. No. 1982

H. No. 8418

Republic of the Philippines
Congress of the Philippines

Metro Manila

Twentieth Congress

First Regular Session

Begun and held in Metro Manila, on Monday, the twenty-eighth
day of July, two thousand twenty-five.



[REPUBLIC ACT NO. 12316]

AN ACT AUTHORIZING THE PRESIDENT TO SUSPEND
OR REDUCE EXCISE TAX ON PETROLEUM
PRODUCTS, AMENDING FOR THE PURPOSE
SECTION 148 OF THE NATIONAL INTERNAL
REVENUE CODE OF 1997, AS AMENDED

*Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:*

SECTION 1. Section 148 of the National Internal Revenue
Code (NIRC) of 1997, as amended, is hereby further amended
to read as follows:

“SEC. 148. *Manufactured Oils and Other Fuels.* –

x x x

Effective January 1, 2020

x x x

(m) Petroleum coke, per metric ton, Six pesos (P6.00): *Provided, however, That, petroleum coke, when used as feedstock to any power generating facility, per metric ton, zero (P0.00).*

The President may, upon the recommendation of the Development Budget Coordination Committee (DBCC), in coordination with the Secretary of Energy, suspend the imposition of or reduce the excise taxes on fuel under this Section when the average Dubai crude oil price based on Mean of Platts Singapore (MOPS) reaches or exceeds Eighty US dollars (USD 80) per barrel for one (1) month immediately preceding the issuance of the suspension or reduction order.

The suspension or reduction may be applied to specific petroleum products, and implemented either as a full suspension or partial reduction of the applicable excise tax rates under this Section, as may be warranted by prevailing conditions.

Any suspension or reduction authorized under this Section shall be effective for a period not exceeding three (3) months: *Provided, That the aggregate period of the suspension or reduction shall not exceed one (1) calendar year: Provided, further, That the excise tax on fuel products shall revert automatically to the rates provided under this Section, without need for further legislative or executive action, upon occurrence of any of the following conditions, whichever comes first:*

(a) One (1) week after the one (1)-month average of Dubai crude oil price based on MOPS falls below Eighty US dollars (USD 80) per barrel, as duly certified by the Department of Energy (DOE); or

(b) After three (3) months:

Provided, That the power of the President to temporarily suspend or reduce the excise tax on petroleum products granted under this Section shall be exercised only until December 31, 2028.

Within fifteen (15) days from the issuance of the suspension or reduction order, and every month thereafter, the President shall, through the DBCC,

in coordination with the DOE, submit to the House of Representatives and the Senate a report on the following:

(1) The factual basis and policy goals for the suspension or reduction of excise taxes;

(2) The estimated foregone revenues, including affected social benefits for different household deciles; and

(3) The expected impact on inflation and fuel prices, a cost-benefit analysis, an assessment of possible market distortions, leakages, or unintended consequences arising from the suspension or reduction of excise taxes, and other economic activity.

The report shall include a recommendation on whether the suspension or reduction of excise taxes should be maintained, modified, or lifted, and shall form part of the basis for any continued suspension or reduction.

During the suspension or reduction of excise tax under this Section, oil companies shall submit to the DOE monthly information on the cost components of the price of petroleum products sold: *Provided*, That the DOE shall submit such monthly information to the DBCC and the Congress: *Provided, further*, That the Bureau of Internal Revenue and the Bureau of Customs shall likewise submit to Congress monthly information on the declared value and volume of petroleum products the excise tax on which, has been suspended or reduced by the President pursuant to this Section, as used for the imposition of value-added tax under this Act.”

SEC. 2. *Separability Clause.* – If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 3. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, rule, or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

SEC. 4. *Effectivity.* – This Act shall take effect after fifteen (15) days following its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved

FAUSTINO "BOHE" G. DY III
*Speaker of the House
of Representatives*

VICENTE C. SOTTO III
President of the Senate

This Act was passed by the Senate of the Philippines as Senate Bill No. 1982 on March 17, 2026 and adopted by the House of Representatives as an amendment to House Bill No. 8418 on March 18, 2026

CHELOE E. VELICARIA-GARAFIL
*Secretary General
House of Representatives*

MARK LLANDRO "DONG" L. MENDOZA
Secretary of the Senate

Approved: **MAR 25 2026**

FERDINAND ROMUALDEZ MARCOS JR.
President of the Philippines

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