

REVENUE MEMORANDUM CIRCULAR NO. 36-2024 issued on March 11, 2024 clarifies the manner of computing the Minimum Corporate Income Tax (MCIT) for Taxable Year 2023.

Republic Act No. 11534 (CREATE Act) prescribed the one percent (1%) MCIT for the period July 1, 2020 until June 30, 2023. Effective July 1, 2023, the MCIT rate returned to its old rate of two percent (2%) based on the gross income of the corporation. In computing the MCIT, the gross income shall be divided by 12 months to get the average monthly gross income and apply the rate of 1% for the period January 1 to June 30, 2023; and 2% for the period July 1 to December 31, 2023.

For ease of computation, the rates below corresponding to the taxable period of the taxpayer may be used:

Annual Accounting Period	MCIT 2% / 1%	Annual Accounting Period	MCIT 2% / 1%
FY 7-31-23	1.08 %	FY 1-31-24	1.58
FY 8-31-23	1.17	FY 2-28-24	1.67
FY 9-31-23	1.25	FY 3-31-24	1.75
FY 10-31-23	1.33	FY 4-30-24	1.83
FY 11-31-23	1.42	FY 5-31-24	1.92
CY 12-31-23	1.50	FY 6-30-24	2.00