

REVENUE REGULATIONS NO. 5-2024 issued on April 11, 2024, implements Sections 76(C), 112(C), 112(D), 204(C), 229 and 269(J) of the Tax Code of 1997, as amended by Republic Act No. 11976 (Ease of Paying Taxes (EOPT) Act), on tax refunds.

The Regulations shall cover tax credit/refund claims that are filed starting July 1, 2024, onwards and implements the following:

- (A) Section 112(C) of the Tax Code that introduced the risk-based approach to verification of VAT refund claims;
- (B) Section 112(D) of the Tax Code which clarified the liability of the taxpayer-claimant and the BIR in case of disallowance by the Commission of Audit (COA);
- (C) Section 76(C) of the Tax Code allowing the application for refund of unutilized excess income tax credit in case of dissolution or cessation of business. For purposes of the Regulations, the entire provision of 76(C) of the Tax Code shall be covered to include policies for the processing of income tax credit/refund of taxpayers who have chosen the option to apply for tax credit or refund the excess income tax in their Annual Income Tax Returns (AITR);
- (D) Section 204(C) of the Tax Code that introduced the one hundred eighty (180)-day processing of claims for tax refund except for VAT Refunds under Section 112 of the Tax Code; and
- (E) Section 229 of the Tax Code outlined the policies for judicial claims and repealed the supervening clause provision thereof.

The Regulations do not cover processing of tax refund/credit claims pursuant to the final and executory judgement by the courts.