




Republic of the Philippines

PHILIPPINE ECONOMIC ZONE AUTHORITY

MEMORANDUM CIRCULAR NO. 2025-020

TO : ALL REGISTERED EXPORT ENTERPRISES
ALL PEZA ZONE ADMINISTRATORS/ZONE MANAGERS/OICs

FROM : TERESO O. PANGA
Director General 

DATE : 07 April 2025

SUBJECT : VAT Certification Nos. 2025-0299 to 2085 and 2025 VAT Updated Issue No. 0002-0011

Section 18 of Republic Act (RA) No. 12066 or the “Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy” (CREATE More Act), amends further Section 295 of the National Internal Revenue Code (NIRC) of 1997 and Section 3, Rule 2 of the Implementing Rules and Regulations of Title XIII of the NIRC, provides that the VAT zero-rating on local purchases shall apply only to goods and services **directly attributable** to the registered project or activity of a Registered Export Enterprise (REE) or a High-value Domestic Market Enterprise (DME), including incidental expenses thereto.

Further, Section 4, Rule I of the Implementing Rules and Regulations of Title XIII of the NIRC, as amended by RA No. 12066, defines “**Directly Attributable**” as goods and services that are incidental to and reasonably necessary for the registered project or activity of the Registered Business Enterprise (RBE), including janitorial, security, financial, consultancy services, marketing and promotion, and services rendered for administrative operations such as human resources, legal and accounting.

In view of the above provisions of CREATE More Act and its corresponding Implementing Rules and Regulations, there is a need to amend the second paragraph of the VAT Zero-Rating Certification Nos. 2025-0299 to 2085 and 2025 Updated Issue Nos. 0002-0011 issued by PEZA from **28 November 2024 to 20 February 2025**. These certifications shall be amended to read as follows:

From	To
This is to certify that (enterprise acronym) is a qualified export enterprise for the purpose of VAT zero-rating of its transactions with its local suppliers of goods and services directly and exclusively used in the registered project or activity, in accordance with Section 295(D) of the Republic Act (RA) No. 11534, otherwise known as the “Corporate Recovery and Tax Incentives for Enterprise Act” or “CREATE”, and Rule 2 Section 5 of the Rules and Regulations to Implement Title XIII of the National Internal	This is to further certify (enterprise name) is a qualified export enterprise for the purpose of VAT zero-rating of its transactions with its local suppliers of goods and services directly attributable to the registered project or activity, including expenses incidental thereto, including janitorial, security, financial consultancy services, marketing and promotion, and services for administrative purposes such as human resources, legal and accounting, in accordance with Section 295(D) of the National Internal Revenue Code of 1997, as amended further, by

Revenue Cod of 1997 (NIRC), as amended, and applicable Revenue Regulations of the BIR.	Republic Act (RA) No. 12066 or the "Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy" (CREATE More Act), and applicable Revenue Regulations of the BIR
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Accordingly, all Registered Export Enterprises with VAT Zero-Rating Certifications valid for the year 2025 issued by PEZA prior to the effectivity of the CREATE More Act on 28 November 2024, are required to file an application for an Updated Issue of the VAT Zero-Rating Certification to conform with the provisions of the CREATE MORE Act to avoid any possible issues with your suppliers and the Bureau of Internal Revenue (BIR). No processing fees shall be imposed by PEZA for this updated issuance.

For any clarification, you may call our Incentives Management Division at telephone nos. (02) 8551-9540 locs. 421, 422 and 428, Direct Line: (02) 85519677 or send an email at imd@peza.gov.ph

For your information and proper guidance.

RVSS/JBE/gdt

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