

Voluntary Report – Voluntary - Public Distribution

Date: November 16, 2021

Report Number: RP2021-0067

Report Name: All Imported Fresh Fruits and Vegetables Now VAT Free

Country: Philippines

Post: Manila

Report Category: Trade Policy Monitoring, Vegetables, Fresh Deciduous Fruit, Fresh Fruit, Kiwifruit, Stone Fruit, Strawberries, SP2 - Prevent or Resolve Barriers to Trade that Hinder U.S. Food and Agricultural Exports

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Report Highlights:

The Philippine Bureau of Internal Revenue (BIR) on November 10, 2021 issued Revenue Memorandum Circular No. 112-2021, clarifying that all imported unprocessed fruits and vegetables are exempt from the 12 percent value-added tax. The VAT exemption includes fruits and vegetables that more recently gained market access, such as fresh blueberries. The circular also clarifies that BIR no longer requires the issuance of an Authority to Release Imported Goods prior to release from the custody of the Bureau of Customs.

On November 10, 2021, the Philippine Bureau of Internal Revenue (BIR) issued Revenue Memorandum Circular No. 112-2021 (RMC 112-2021), clarifying the list of imported perishable food products that are exempt from the 12 percent value-added tax (VAT) under Section 109 (1)(A) of the National Internal Revenue Code of 1997. The circular also clarifies that BIR no longer requires the issuance of an Authority to Release Imported Goods (ASTRIG) prior to release from the custody of the Bureau of Customs.

The Annex of JMC No. 48-2002 (attached) previously listed all the unprocessed vegetable products and unprocessed edible fruits and nuts that were covered by the VAT exemption. It did not, however, include imported fresh produce that gained market access later, such as fresh blueberries. The new RMC clarifies that all unprocessed fruits and vegetables that may be legally imported into the country are exempt from the 12 percent VAT.

According to RMC 112-2021, the following provisions of Joint Memorandum Circular No. 48-2002 (JMC 48-2002), are amended as follows:

“xxx xxx

C. UNPROCESSED VEGETABLE PRODUCTS (whether whole, cut, sliced, broke, dried, fresh, chilled, frozen, shelled, skinned or split), **SUCH AS BUT NOT LIMITED TO:**

xxx xxx

D. UNPROCESSED EDIBLE FRUITS AND NUTS (whether fresh or dried, shelled of peeled), BUT NOT BOTTLED, POWDERED OR CANNED), **SUCH AS BUT NOT LIMITED TO:**

xxx xxx”

Attachments:

[RMC No. 112-2021.pdf](#)

[Annex_RMC 48-2002.pdf](#)