

RE : Bureau of Internal Revenue (“BIR”) *Revenue Regulation no. 6-2020*
Implementing the Tax Exemption Provision of Republic Act No. 11469,
otherwise known as the “Bayanihan to Heal As One Act”

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WHAT DOES THIS MEAN ?



➤ These are tax incentives under the “*Bayanihan to Heal as One Act.*”



➤ Because the government needs to combat COVID -19, it issued a regulation stating that the importation of **critical healthcare equipment** or **supplies** shall be **exempt** from **value-added tax**, **excise tax** and **other fees**.



➤ The above incentive shall also apply to the importation of **materials needed to make health equipment** and **supplies deemed as critical** in order to combat COVID -19.



➤ If the imported articles are **donated** to and/**intended for the use** of the national government, its political subdivisions and/or any non-profit entity created by any of its agencies, the said donation shall be shall be **exempt** from **donor’s tax**.



HERE’S AN EXAMPLE :




➤ Ordinarily, if Juan Dela Cruz **imported** healthcare equipment or supplies, and/or subsequently **donated** the same to the government, **he would have to pay various taxes and fees**.




➤ However, because of this regulation, the **importation** of health equipment and supplies (including raw materials to make them) intended to combat the COVID -19 pandemic shall **not** be subject to **value-added tax**, **excise tax** and **other fees**. Additionally, subsequent donations of these imported articles to the government will **not** be subject to **donor’s tax**.

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