DoE hoping for EV sales of 50,000 units by year's end

THE Department of Energy (DoE) said it is optimistic that the Philippines will end the year with electric vehicle (EV) sales of 50,000 units, noting that consumer acceptance of the new technology is growing.

"We're very positive because of the numbers that we've seen at least as of end of September. We have more than 41,000 registered EVs," Energy Utilization Management Bureau Director Patrick T. Aquino told reporters on Monday.

According to registration data from the Land Transportation Office, EV sales in the first nine months topped 41,000, well above the record 9,000 posted in 2024.

At present, EVs account for around 4% of the overall vehicle fleet. The Philippines is targeting nearly 312,000 units in EV sales by 2028.

"We're optimistic that we will hit the midway point of the target through 2028, including the (target for) charging stations," he said.

Republic Act No. 11697, or the Electric Vehicle Industry Development Act (EVIDA), authorizes the creation of the Comprehensive Roadmap for the Electric Vehicle Industry (CREVI). The roadmap seeks to lower the barriers hindering the EV industry.

EVIDA aims to promote the development and adoption of EVs by setting quotas for the share of EVs in corporate and government fleets, which is expected to generate more demand for EVs.

Under CREVI, the business-as-usual scenario target is a 10% EV fleet share by 2040. The clean-energy scenario target is at least 50%.

Mr. Aquino said the agency is set to conduct its midterm review of CREVI and produce an update on the progress on the EV industry.

"We are confident that with industry work and government policies, more electric vehicles and charging stations will come in next year," Mr. Aquino said.

To fast-track the transition to electric mobility, the DoE has issued the Electric Vehicle Charging Infrastructure Development Plan Integration Circular, conducted consultations on mandatory EV charging station installation for designated establishments, and amended EV recognition guidelines, which are intended to streamline registration procedures. — **Sheldeen Joy Talavera**


FREEPIK

BoI touts transformative potential of investing in clean technologies

INDUSTRIES need to invest in cleaner technologies to unlock potential new markets and create higher-value jobs, the Board of Investments (BoI) said.

BoI Industry Development Service Executive Director Ma. Corazon Halili-Dichosa said the green transition should not be a "trade-off between growth and sustainability."

"It should lead to a transformation that can unlock new markets, attract green investments, and create decent jobs," she said in a statement on Monday.

"By bridging industry and sustainability, we can position the Philippines as a leader in the green economy, driving competitiveness while safeguarding our people and our planet," she added.

According to the BoI, a "just transition" ensures that workers, communities, and businesses are not left behind or worse off in the shift to a low-carbon economy.

"It also aligns with the industrial strategies of the Philippines, its climate commitments under the Paris Agreement, the implementation of the Energy Transition Plan, and the full realization of the Green Jobs Act's promises," it added.

The BoI is hoping to enhance its technical capabilities, increase engagement with industry, and align its programs and initiatives with the Just Transition Framework to help firms stay resilient and competitive.

BoI Industry Policy and Planning Services Director Sandra Marie S. Recolizado said these initiatives include better-designed programs, more informed industry dialogues, and coordinated efforts across government.

"The concept of Just Transition aligns with the Philippine strategy to position itself as the regional hub for smart and sustainable industries," the BoI said.

"BoI recognizes the country's strengths as a rich source of green and critical minerals and the potential for new value chains, markets, jobs, and technologies," it added.

According to the BoI, the country has made significant progress in its Nationally Determined Contributions.

In 2021, the Philippines pledged a 75% reduction in greenhouse gas emissions and avoidance for the 2020 to 2030 period.

"Of this target, 72.29% depends on international support, such as climate finance, technology transfer, and capacity-building, while the remaining 2.71% will be achieved through the country's own resources and efforts," the BoI said. — **Justine Irish D. Tabile**

Eastern Samar fastest-growing province in 2024

EASTERN SAMAR posted double-digit growth last year, making it the fastest-growing province, the Philippine Statistics Authority (PSA) said on Monday.

In 2024, all 82 Philippine provinces and 33 highly urbanized cities (HUCs) posted growth, with Eastern Samar's economy growing 10.2% to P40.42 billion in gross regional domestic product, the PSA said in its Provincial Product Accounts (PPA) report.

Meanwhile, Puerto Princesa grew the fastest among HUCs, posting 9.8% growth last year.

"All provinces and HUCs show sustained positive economic performance," Economy Undersecretary Carlos Bernardo O. Abad Santos said during the National Dissemination Forum on the 2024 Economic Performance of Provinces and Highly Urbanized Cities.

"Provinces with no major cities had (the) highest growth, (such as) Eastern Samar, Batanes, Dinagat, (which) may indicate positive rural development strategies," he added.

Meanwhile, Quezon City accounted for a 6% share of 2024 gross domestic product (GDP) equivalent to P1.327 trillion in economic output.

Among provinces, Laguna had the top share of GDP last year at 4.9% or P1.081 trillion.

According to the PPA, 17 regions relied mainly on services for their growth, while one was mainly industrial. None of the regions has a predominantly agricultural economic structure.

"Agriculture requires further modernization and resilience measures," the Department of Economy, Planning, and Development said, adding that agri-fishery value chains should be strengthened.

During the forum, Mr. Abad Santos also urged the PSA to release the PPA faster next year to help facilitate budget planning for local government units.

"As an important tool for policy analysis, the PPA allows us to measure policy effectiveness, see what's working, and recalibrate strategies as needed," he added. "And for risk management and resilience, it helps us in understanding sectoral dependence and helps us spot vulnerabilities and design strategies to make local economies more resilient."

Assistant National Statistician Mark C. Pascasio said the PSA disseminated the PPA to various regional offices between Sept. 25 and Oct. 16. For next year, it aims to release the data by Aug. 28. — **Katherine K. Chan**

DTI asked to clarify trustmark scheme amid fears of duplicated rules

ONLINE SELLERS are asking the Department of Trade and Industry (DTI) to provide clear guidance on the rules governing the e-commerce trustmark, citing the possibility that the trustmark will duplicate the requirements of previous laws in place to ensure product safety and authenticity.

"Micro, small and medium enterprises (MSMEs) and online platforms continue to be confused because there is still no clear direction on what exactly should be followed regarding the trustmark policy," Anna C. Magkawas, lead convenor of the Online Negosyo Empowerment Community, said in a statement on Monday.

"We call on Secretary Cristina A. Roque and the DTI to issue an immediate and clear decision — one that truly reflects the voice of the majority of online sellers," she added.

Ms. Magkawas described the e-commerce trustmark as redundant, noting the Bureau of Philippine Standards' enforcement of national product standards, including the Philippine Standard Quality or Safety Mark and Import Commodity Clearance.

Other agencies, she said, that monitor counterfeit and dangerous products are the Food and Drug Administration and the Intellectual Property Office of the Philippines.

"If these systems already exist, why is there a need for a new requirement that might duplicate processes and further burden small sellers? What MSMEs need now is clarity, not further confusion; support, not additional burdens," she said.

"A swift and consultative decision from the DTI will help stabilize the industry and allow online businesses to focus on growth and responsible entrepreneurship," she added.

In October, the DTI extended the voluntary registration for the E-Commerce Philippine Trustmark until the end of the year following consultations.

After the voluntary phase, the DTI will be conducting a review to determine whether registration should remain voluntary.

In an interview last week, Ms. Roque said that it is open to keeping the registration voluntary.

"The problem is there are so many problems in the e-commerce space, *kawawa naman ang mga* consumers (consumers are suffering). It is the consumers who are telling us," she said.

Ms. Roque said that the department will need more time to assess whether registration will stay voluntary but noted that a decision will come out before the end of the year.

The DTI is also set to meet with e-commerce platforms this week to address fraudulent items being sold online and discuss other issues such as platform fees. — **Justine Irish D. Tabile**

OPINION

BIR reset for protecting taxpayers' rights

LET'S TALK TAX
MIRASOL M. ABRENICA

The foundation of any sovereign state rests on the ability to collect revenue, a principle often encapsulated in the legal maxim that "taxes are the lifeblood of the nation." This overarching authority stems from the state's inherent power of taxation, which exists even without an express provision in the Constitution. Precisely because the power is so encompassing, its execution by the taxing authority must be conducted with utmost care and integrity.

However, present clamor against ghost flood control projects that highlighted massive corruption in the bureaucracy led to complaints about the misconduct of taxing authorities. Under the scrutiny is the alleged weaponization of Letters of Authority (LoAs).

The LoA is the official document issued by the Commissioner of Internal Revenue (CIR) or their duly authorized representative that empowers specific revenue officers to examine and audit the books of account and other financial records of a taxpayer for a specific period.

Recognizing the urgent need to address systemic issues and protect taxpayer rights, the BIR, under the leadership of new Commissioner Charlito Martin R. Mendoza, suspended all audits to restore public trust by issuing Revenue Memorandum Circular (RMC) No. 107-2025.

SCOPE OF THE SUSPENSION

RMC No. 107-2025 ordered an immediate and indefinite suspension, beginning Nov. 24, of all ongoing field audits and related field operations by the BIR, including the issuance of LoAs and Mission Orders (MOs), examinations, and verification of taxpayers' books of account and other accounting records. During the suspension period, no LoAs and MOs shall be created, printed, signed, or served by the BIR to taxpayers.

The suspension applies to all BIR offices involved in audit and field operations, including the Large Taxpayers Service (LTS), Revenue Regions (RRs), Revenue District Offices (RDOs), National and Regional Investigation Divisions, Assessment Divisions, VAT Audit Units (LTS), and VAT / Special Audit Sections.

WHERE AUDITS CAN STILL PROCEED

While the coverage is comprehensive, the suspension does not cover the following instances:

• Audits prescribing within six months from Nov. 24;

• One-time transactions, such as estate tax, donor's tax, and Capital Gains Tax;

• Examination of taxpayers retiring from business;

• Active criminal investigations based on verified intelligence;

• Refund claims where the issuance of LoAs is statutorily required; and

• Other matters where deadlines have been imposed or under orders of the Commissioner.

As such, the issuance of Assessment Notices, Warrants, and Seizure Notices under the exceptions are to continue. Revalidation, extension, replacement, or supplementary LoAs and MOs may also be issued in connection with these circumstances.

ONGOING ASSESSMENTS AND COMPLIANCE

The issuance of RMC No. 107-2025 has prompted questions among taxpayers regarding its impact on their ongoing assessments and whether their current cases fall within the scope of the suspension order.

From the wording of the RMC, the Stop Audit directive does not cover taxpayers under assessment for taxable year 2022, as they are considered prescribing cases.

Taxpayers who received Assessment Notices, such as the Notice of Discrepancy (NoD), Preliminary Assessment Notice (PAN), or Final Assessment Notice with Formal Letter of Demand (FAN/FLD), before the issuance of the RMC must note that the suspension does not allow them to delay the filing of their reply or protest. Hence, replies or protests must still be filed within the statutory prescriptive periods under the Tax Code, as amended.

Another question is whether taxpayers who have already filed their protest to a FAN/FLD prior to the issuance of the RMC can get relief during the suspension period. Section 228 of the Tax Code, as amended, requires the BIR to decide on the protest within 180 days from submission of documents. Thereafter, the taxpayer adversely affected by the inaction of the Commissioner may appeal to the Court of Tax Appeals within 30 days from the lapse of the 180-day period. In such a case, will the running of the 180-day period continue despite the RMC? If so, may the taxpayer exercise their right to file their appeal to the CTA after the lapse of the 180-day period?

Cases already at the payment stage are also not hindered by the suspension. In fact, the RMC provides that taxpayers may voluntarily pay their known deficiency taxes without needing the approval from the appropriate revenue officials. By opting for voluntary payment, taxpayers can mitigate exposure to further interest and penalties.

For now, taxpayers are looking forward to a clarificatory issuance from the BIR that will provide detailed guidance on how RMC No. 107-2025 applies to ongoing cases, particularly those already in various stages of the assessment. Such guidance is expected to address grey areas and outline compliance steps once audit operations resume.

The suspension of BIR audits also provides taxpayers with a critical opportunity to strengthen their compliance. This period should be maximized to review internal practices and ensure proper documentation to address common findings by the BIR.

AUDITING THE AUDITOR: THE MECHANISM FOR REFORM

Far from being an administrative pause, RMC No. 107-2025 represents an institutional reset designed to strengthen internal discipline, ensure the integrity of the audit process, promote compliance, and foster trust among taxpayers.

To materialize these reforms, the RMC ordered the creation of a Technical Working Group (TWG) or Review Committee on LoA Integrity and Audit Reforms, tasked with the following:

• Evaluation of current policy frameworks;

• Identification of operational and systemic vulnerabilities;

• Recommendation of a revised, integrity-based LoA issuance protocol and

• Integration of digital safeguards and uniform audit standards.

Further, the RMC also includes a strong stance on internal policing and enforcement, that even BIR personnel are not immune to regulation and the standards of integrity and accountability, such that their non-compliance constitutes an administrative offense.

While taxes remain the lifeblood of the nation, the outcry of the people — the very source of this revenue — is fundamentally valid. When the power of taxation is wielded with irregularities and inconsistencies, trust erodes, creating an environment for further abuse.

The issuance of RMC No. 107-2025 is therefore both timely and necessary. By suspending audit operations to reform internal policies, the BIR signals its commitment to a transparent, accountable, and hopefully, conscientious approach in exercising its authority.

Let's Talk Tax is a weekly newspaper column of P&A Grant Thornton that aims to keep the public informed of various developments in taxation. This article is not intended to be a substitute for competent professional advice.

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