PRESCRIBING THE THRESHOLD AMOUNT OF GROSS SALES AND/OR RECEIPTS FOR VALUE ADDED TAX PURPOSES

Read online (full-text search, related cases, audio case brief): https://batas.org/library/2868b1dba6ec/

WHEREAS, Section 103(t) of the National Internal Revenue Code (the "Tax Code") as amended by R.A. 7716, provides that the President shall, upon recommendation of the Secretary of Finance, set the threshold amount of gross sales and/or receipts of transactions to be exempted from value added tax;

WHEREAS, the Secretary of Finance has recommended that the threshold amount be set at FIVE HUNDRED THOUSAND PESOS (P500,000.00);

NOW, THEREFORE, I FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, and in conformity with the requirement set forth in Section 103(t) of the Tax Code, as amended, do hereby declare that all transactions involving sale or lease of goods or properties or the performance of services other than those mentioned in subparagraphs (a) to (s) of the aforementioned section of the Tax Code, the gross annual-sales and/or receipts of which do not exceed FIVE HUNDRED THOUSAND PESOS (P500,000.00) are exempt from value added tax, provided however, that any person covered by the foregoing exemption may apply for registration as a VAT registered person not later than ten (10) days before the beginning of the taxable quarter and shall pay the annual registration fee prescribed in Section 107(a) of the Tax Code and, provided finally, that any person falling under the foregoing exemption shall pay a tax equivalent to three percent (3%) upon the effectivity of R.A. No. 7716 and four percent (4%) two (2) years thereafter, of his gross quarterly sales and/or receipts.

Adopted: 14 June 1994

(Sgd.) FIDEL V. RAMOS
President

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.