

BIR COLLECTS P6B FROM SUGARY DRINKS TAX

Philippine Daily Inquirer · 18 Apr 2018 · B1 · By Ben O. de Vera @bendeveralNQ

The Bureau of Internal Revenue collected P6 billion during the first quarter from the excise tax slapped on sugary drinks even as the country's biggest tax-collection agency has yet to come out with the guidelines for the new levy.

Internal Revenue Commissioner Caesar R. Dulay told reporters that the excise tax collections from sugar-sweetened beverages "contributed a lot" to the BIR's first-quarter tax take.

The BIR earlier reported that its end-March collections reached P422.6 billion, up 14 per cent from P370.6 billion a year ago.

The BIR exceeded its firstquarter target of P361.8 billion by 16.8 percent.

This was the first time that the BIR collected excise taxes from sugary beverages as mandated under the Tax Reform for Acceleration and Inclusion (TRAIN) Act.

Signed by President Duterte in December, Republic Act No. 10963 or the TRAIN Law since Jan. 1 this year jacked up or slapped new excise taxes on oil, cigarettes, sugary drinks and vehicles, among other goods, to compensate for the restructured personal income tax regime that raised the tax-exempt cap to an annual salary of P250,000.

Of the BIR's P2.04-trillion collection goal for 2018, excise taxes are programmed to account for P309.2 billion.

Department of Finance estimates in January pegged at P52.03 billion the total amount of taxes that must be collected from sugar-sweetened beverages this year.

Internal Revenue Deputy Commissioner Marissa O. Cabreros told reporters that the draft revenue regulations (RR) for the implementation of the excise tax on sugar-sweetened drinks were still awaiting approval of the Department of Finance.

"You must understand that the sugar-sweetened beverage tax is new—it's the first time to be part of the excise tax family or tax structure, so it's being refined. There are several consultations being made with the stakeholders because we don't want to be overburdened with something that is not realistic and we cannot implement. At the same time, we want to make it easier for them to comply and also easier for us to monitor and verify their reporting," Cabreros explained.

Despite the lack of an RR, Cabreros noted that the BIR at the start of the year already released the new excise tax form to be filled up by manufacturers.