REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
**BUREAU OF INTERNAL REVENUE**

Bringing In Revenues
for Nation-Building

BAGONG PILIPINAS

SEP 22 2026

# REVENUE MEMORANDUM CIRCULAR NO. 098-2026

**SUBJECT** : **Prescribing Policies and Guidelines on the Issuance of Electronic Invoice under Revenue Regulations (RR) No. 8-2022 and RR No. 11-2025, as Amended by RR No. 26-2025**

**FOR** : **All Revenue Officials, Employees, Taxpayers and Others Concerned**

## I. PURPOSE

This Circular is issued to prescribe the policies and guidelines on electronic invoicing (issuance of electronic invoice) pursuant to Sections 237 of the National Internal Revenue Code, as amended (Tax Code), as implemented by RR No. 8-2022 and RR No. 11-2025, as amended by RR No. 26-2025.

## II. DEFINITION OF TERMS

For purposes of this Circular, the following words and phrases shall have the meaning indicated below:

1. **Computerized Accounting System (CAS)** – refers to the integration of different component systems and processes to produce computer-generated accounts and accounting records, including system-generated invoices, reports and documents. It involves computerized processing of full accounting cycle, i.e., from the inception of the transaction, issuance of invoices up to the generation of financial reports. In any case that an invoice shall be manually issued, the system/software/application shall be considered as Computerized Books of Accounts (CBA) with Accounting Records.

2. **Credit Note/Memo** – refers to a document issued by the seller to reduce or cancel, in whole or in part, a previously issued invoice due to returns, allowances, discounts, overbilling, or similar adjustments.



3. **Electronic Commerce (e-commerce)** – refers to any commercial transaction conducted through electronic, optical, and similar medium, mode, instrumentality and technology. The transaction includes the sale or offer for sale, purchase of physical or digital goods and services, or lease or offer for lease of the same, between individuals, households, businesses, and governments conducted over computer-mediated networks through the Internet, mobile phones, electronic data interchange, or other electronic channels through open or closed networks. These may be digitally ordered, digitally

delivered or platform-enabled transactions. Internet transactions shall also refer to e-commerce.

4. **Electronic Invoicing** – refers to the automated process of generating an electronic invoice in a structured invoice data which can be easily extracted electronically from the invoice allowing for automated electronic data processing. It involves the electronic exchange of an electronic invoice that records a transaction between a seller and a buyer. This can be a one-way electronic exchange where the seller sends the electronic invoice to the buyer.

5. **Electronic Invoicing Service Provider (ESP)** - refers to a juridical entity organized or duly licensed to do business in the Philippines that provides e-invoicing, sales reporting, integration, validation, transmission, storage, preservation, retrieval, reconciliation, migration, and audit-support services to taxpayers.

   The ESP shall maintain an authorized representative and accountable technical, compliance, data-protection, and security officers in the Philippines.

6. **Electronic Invoicing and Sales Reporting (EIS) Certification** – refers to the process that provides an environment for the online testing of the developed system by the taxpayer. It has five (5) mandatory tests, or seven (7) tests, if with API callback.

7. **Permit to Issue (PTI) Electronic Invoice** – refers to the authority granted by the BIR authorizing a taxpayer to issue electronic invoices that comply with the prescribed electronic invoicing requirements, through a duly registered and/or approved invoicing system.

   The PTI is distinct from the Permit to Use (PTU) or Acknowledgement Certificate (AC) for CAS, which authorizes the use of such systems but does not by itself constitute authority to issue electronic invoices.

8. **Point-of-Sale (POS) System** – refers to a type of sales receipting system that is considered more complex than a Cash Register Machine, which may have the capability to record and track customer orders, process debit and credit card accounts, linked to other systems in the establishment's network and manage inventory. Similarly, this system can record the sale/transfer of merchandise or services rendered with system-generated invoices.

9. **Structured Invoice Data** – refers to the invoice information organized in a standard digital format that computers can automatically read, process, store, and transmit electronically without manual data entry.

## III. COVERAGE

This issuance shall apply for the following taxpayers:

1. Taxpayers engaged in e-commerce or internet transactions, classified as Small, Medium and Large Taxpayers (Micro Taxpayers are exempted);

2. Taxpayers under the jurisdiction of the Large Taxpayers Service (LTS);

3. Taxpayers classified as Large Taxpayer under Republic Act (RA) No. 11976 (Ease of Paying Taxes [EOPT] Act) and RR No. 8-2024;

4. Taxpayers using CAS or CBA with Accounting Records (with electronic invoicing), and other invoicing software; and

5. Other taxpayers as may be required by the Commissioner of Internal Revenue.

## IV. POLICIES AND GUIDELINES

All covered taxpayers shall adhere to this Circular and shall follow the policies and guidelines provided herein:

1. All taxpayers covered under Section III of this Circular, except those classified as Micro taxpayers, shall be required to issue electronic invoices and comply with the provisions of this Circular on or before December 31, 2026.

   Other taxpayers not covered by the mandate of the provisions of Section 237 of the Tax Code may issue electronic invoices in lieu of manual invoices.

2. The obligation to issue electronic invoices pursuant to Section 237 of the Tax Code shall be separate and distinct from the obligation to comply with the electronic sales reporting requirements under Section 237-A of the Tax Code.

   Taxpayers enumerated under Section III of this Circular shall be required to comply with the electronic sales reporting requirements only upon the issuance by the Bureau of the implementing policies, guidelines, and procedures for such purpose.

3. Taxpayers shall have the option to use an in-house or commercially acquired electronic invoicing solution, or avail of the services offered by an ESP. Policies and guidelines governing ESPs shall be prescribed through a separate revenue issuance.

4. An invoice shall be considered an Electronic Invoice only if it satisfies all of the following requirements:

   a. It is generated by a duly registered, approved, or accredited accounting/invoicing software or system in a structured electronic format;

   b. It is electronically generated and transmitted to the buyer, purchaser, or client in digital format through any of the following means: email, online viewing, Quick Response (QR) Code, mobile applications, web-based platforms, or other electronic means; and

c. The invoice data contained therein is capable of being electronically extracted, processed, and transmitted to the Bureau for electronic sales reporting purposes.

While the electronic invoicing system/software of the taxpayer may be capable of electronically transmitting the copy of the invoice through email, apps, a printed copy of the electronic invoice shall be provided by the taxpayer-seller upon request by the buyer.

Invoices created manually using office productivity applications, including but not limited to Microsoft Word, Microsoft Excel, Google Docs, Google Sheets, or similar applications, shall not be considered valid electronic invoices for tax compliance purposes.

5. Invoices generated by a CAS, CBA with Accounting Records (with electronic invoicing), POS System, or other accounting/invoicing software or system, and subsequently printed on paper for issuance to buyers, shall not be considered electronic invoices if the system does not have the capability to electronically issue and transmit the invoice to the buyer and electronically transmit or report the required sales data to the BIR. Such invoices shall instead be treated as invoices generated through a system and shall be subject to the rules applicable to non-electronic invoicing.

6. Electronic invoices shall be in a structured electronic format. This means that digital information shall be organized in a set, predictable way so computers can easily read, sort, and use it.

   a. The BIR's existing EIS prescribes the use of the JavaScript Object Notation (JSON) file format for the transmission of sales data. To avoid confusion, taxpayers whose electronic accounting or invoicing software or systems utilize other structured file formats may continue to use such formats for their internal operations, provided that the required sales data can be converted to and transmitted in the format prescribed by the BIR.

   b. The information required in the JSON file format is not designed to change in any way the existing information reflected on the invoices of taxpayers. The data required in the JSON file format are primarily from the minimum required information to be indicated on the invoices under Section 113 of the Tax Code and RR No. 7-2024, including some additional details that are found to be relevant on most taxpayers whether engaged in the sale of goods or service such as discounts, withholding taxes, etc.

7. The electronic invoice may be printed and furnished to the buyer, purchaser or customer for reference or record-keeping purposes, including in business-to-consumer (B2C) transactions where the electronic transmittal is not practicable, inconvenient or not possible, provided that the original invoice was generated and can be issued electronically and all electronic invoicing requirements prescribed under this Circular have been complied with.

8. Any correction or adjustment to an issued electronic invoice shall be made through a separate document that references the original electronic invoice. A decrease in the invoiced amount shall be effected through a duly authorized Credit Note/Memo, while an increase in the invoiced amount shall be effected through the issuance of a new electronic invoice. An issued electronic invoice shall not be deleted, altered, or modified. The rules governing sales adjustments shall be prescribed through a separate revenue issuance.

9. Taxpayers not mandatorily required to comply with the electronic invoicing requirements on or before December 31, 2026, may voluntarily adopt electronic invoicing, provided that they secure a PTI Electronic Invoice from the concerned Revenue District Office. Policies and guidelines in securing PTI Electronic Invoice shall be prescribed through a separate revenue issuance.

10. For taxpayers with registered branch offices, including those whose covered business activities are registered as branch offices, compliance with the requirements of RR No. 11-2025, as amended by RR No. 26-2025, shall apply to the taxpayer as a whole. Thus, the Head Office and all its Branch Offices shall be mandated to issue electronic invoices, regardless of whether the covered activity is undertaken at a particular branch.

11. In the event of system downtime, system unavailability, technical malfunction, internet connectivity issues, power interruption, cybersecurity incidents, force majeure events, or other circumstances that prevent the generation or issuance of an electronic invoice, the taxpayer shall issue a manual invoice duly authorized by the Bureau to document the transaction in accordance with Section 237 of the Tax Code.

    The occurrence of system downtime or technical issues shall not exempt the taxpayer from the obligation to issue an invoice for every sale, barter, exchange, or transaction, nor from compliance with record-keeping and reporting requirements prescribed by the Bureau.

    Upon system restoration, all manually issued invoices shall be replaced with corresponding electronic invoices bearing the reference numbers of the manual invoices.

12. Taxpayers required to issue electronic invoices shall secure a PTI Electronic Invoice from the BIR prior to the generation or issuance of electronic invoices. The PTI Electronic Invoice shall serve as the authority to issue electronic invoices through a duly registered and compliant electronic invoicing software or system.

    The application for PTI Electronic Invoice shall be filed with the Revenue District Office (RDO)/Large Taxpayer (LT) Office where they are registered and supported by the prescribed documentary requirements. The BIR shall evaluate the application and determine compliance within twenty (20) working days from receipt of complete documents.

    Upon approval, a PTI Electronic Invoice shall be issued specifying the approved software/system and its corresponding coverage. Provided, that any change in the identity, name, platform, or core software/system details of the approved electronic invoicing software/system, including migration to, replacement with, or adoption of another electronic invoicing software/system, shall require the issuance of a new or amended PTI Electronic Invoice, as may be applicable.



13. A PTI Electronic Invoice shall be issued to the Head Office and each separate branch, all bearing the same PTI Electronic Invoice number and indicating the branch to which the PTI Electronic Invoice pertains.

    Where a taxpayer utilizes different invoicing software/systems for different branches, offices, or business segments, a separate PTI Electronic Invoice shall be secured for each distinct invoicing software/system. The PTI Electronic Invoice shall clearly identify the approved invoicing software/system and the corresponding branches, offices, or business locations authorized to use it.

The establishment of additional branches using the same approved electronic invoicing software/system shall not require the issuance of a new PTI number, provided that the taxpayer duly notifies the Bureau in accordance with existing rules and procedures.

14. The electronic invoice generated through the registered/approved/accredited software/system with PTI Electronic Invoice, whether issued electronically and/or subsequently printed, shall be recognized as a valid proof of transaction for taxation purposes and substantiation requirements under Section 34(A)(1)(b) of the Tax Code. Provided, that the electronic invoice issued is compliant with its definition, contains all the required information under existing rules and regulations, and its validity can be verified electronically or manually, as may be prescribed by the BIR.

15. All taxpayers required to issue electronic invoices shall obtain an EIS Certification to validate the capability of their electronic invoicing systems to electronically extract, process, and transmit sales data in accordance with this Circular and the BIR's prescribed technical standards.

    The EIS Certification Portal, including the applicable technical specifications, guides, and requirements, may be accessed through https://eis-cert.bir.gov.ph.

    Taxpayers shall secure an EIS Certification within six (6) months from the issuance of PTI Electronic Invoice. Failure to do so shall constitute a ground for the revocation of the PTI Electronic Invoice.

    The requirement to secure a Permit to Transmit (PTT) shall apply only upon notification or directive from the Commissioner for compliance with the electronic sales reporting requirements under Section 237-A of the Tax Code.

16. All covered taxpayers shall continue to comply with the applicable electronic invoicing, notwithstanding any subsequent change in their classification under the EOPT framework, unless expressly reclassified or exempted by the Bureau through a separate issuance.

    Taxpayers reclassified to a higher category (e.g., Medium to Large, including enlisting in the Large Taxpayers Service) shall immediately comply with the requirements applicable to their new classification, including electronic invoicing and electronic sales reporting obligations, within such period as may be prescribed by the Bureau, which shall not be less than six (6) months from the date of reclassification.

    Taxpayers reclassified to a lower category (e.g., Small to Micro, Large to Medium, including delisting from the Large Taxpayers Service) shall continue to comply with the previously approved electronic invoicing requirement.

## V. EFFECTIVITY

This Circular shall take effect immediately.

All internal revenue officers, employees and others concerned are enjoined to give this Circular the widest dissemination and publicity as possible.

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**CHARLITO MARTIN R. MENDOZA**
Commissioner of Internal Revenue