



Bringing In Revenues
for Nation-Building

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE



JAN 30 2025

REVENUE REGULATIONS NO. 004-2025

SUBJECT : Further Amending the "De Minimis" Benefits Provisions of Revenue Regulations No. 2-98, as Amended, Increasing the Clothing Allowance Pursuant to Republic Act No. 11975, the Fiscal Year 2024 General Appropriations Act, and Employees Achievement Awards

TO : All Internal Revenue Officials, Employees and Others Concerned

Pursuant to Sections 4 and 244 in relation to Section 33 of the Tax Code of 1997, these regulations are hereby promulgated to further amend RR Nos. 2-98, as amended, with respect to "De Minimis" benefits which are exempt from income tax on compensation as well as from fringe benefit tax in relation to the implementation of Republic Act No. 11466.

SECTION 1. Section 2.78.1 of RR No. 2-98, as last amended by RR No. 11-2018, is hereby further amended to read as follows:

"SECTION 2.78.1: Withholding of Income Tax on Compensation Income. –

(A) Compensation Income Defined. – xxx

xxx xxx xxx

(3) Facilities and privileges of relatively small value. – xxx

xxx xxx xxx

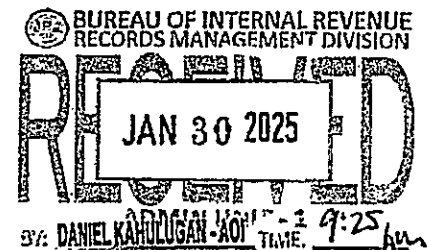
(e) Uniform and clothing allowance not exceeding ₱7,000 per annum;

xxx xxx xxx


(h) Employee's achievement awards, e.g. for length of service or safety achievement, in any form, whether in cash, gift certificate or any tangible personal property, with an annual monetary value not exceeding ₱10,000 received by the employee under an established written plan which does not discriminate in favor of highly paid employees.

xxx xxx xxx"

SECTION 2. REPEALING CLAUSE. – All existing rules and regulations and other issuances or parts thereof which are inconsistent with the provisions of these Regulations are hereby amended, modified or repealed accordingly.

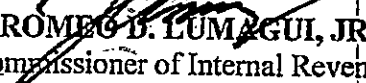


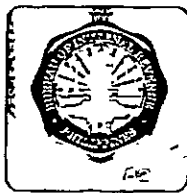
SECTION 3. EFFECTIVITY. – These Regulations shall take effect after fifteen (15) days following its publication in the Official Gazette or in the BIR Official Website, whichever comes first.


RALPH G. RECTO
Secretary of Finance
JAN 14 2025



Recommending Approval:]


ROMEO B. LUMAGUI, JR.
Commissioner of Internal Revenue



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BUREAU OF INTERNAL REVENUE
RECORDS MANAGEMENT DIVISION
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