PHILIPPINES

# E-Invoicing & E-Reporting Framework

Status, obligations and next steps ahead of the 31 December 2026 go-live

26 September 2026

# At a glance

## 31 Dec 2026

Mandatory e-invoice issuance for Stage 1 taxpayers (RR 26-2025)

## PTI

Permit to Issue required before issuing any e-invoice (RMC 98-2026)

## TBD

Sales data transmission (ESRS) – no date; separate RR to follow

**Model:** post-audit reporting, not CTC clearance. The seller issues and delivers the e-invoice; the BIR does not validate before issuance. National JSON format – no Peppol, no EN 16931.

# Legal framework: from TRAIN to RMC 98-2026

| 2018 | 2022 | 2024 | Feb 2025 | Oct 2025 | Sep 2026 |
|---|---|---|---|---|---|
| TRAIN (RA 10963) adds Sec. 237-A and Sec. 264-A penalty | RR 8-2022: EIS pilot for exporters, e-commerce, LTS | EOPT (RA 11976), RR 7-2024: invoice replaces OR | RR 11-2025: scope, structured data, deduction | RR 26-2025: deadline to 31 Dec 2026; Stage 2 | RMC 98-2026: PTI, certification, downtime, corrections |

*Other key texts: RR 13-2021 (penalties), RR 8-2024 (taxpayer size), RR 3-2025 (VAT on digital services), BIR Public Advisory 14 Sep 2026 (no ESP accredited).*

# Who is in scope?

### Stage 1 – 31 Dec 2026

- E-commerce / online sellers (small, medium, large)
- Large Taxpayers Service (LTS)
- Large taxpayers under EOPT
- CAS / CBA / invoicing software users
- Branch rule: one branch in = all in

### Stage 2 – no date

- Exporters
- RBEs with Sec. 304(D) incentives
- POS users
- Others designated by Commissioner
- Unless also in a Stage 1 category

### Out of scope / voluntary

- Micro taxpayers (< ₱3m gross sales)
- Non-resident sellers not VAT-registered
- Inbound foreign invoices / imports
- NRDSPs: separate VDS regime
- Voluntary adoption allowed

# How it works: post-audit invoice lifecycle

### Create
Registered system generates structured JSON

### Deliver
To buyer via e-mail, QR, app or web

### Sign
JWS signature + AES-256 encryption

### Transmit
To BIR EIS within 3 days – once ESRS applies

### Archive
Taxpayer retains 5 years

- No BIR pre-validation, no clearance code; buyer acceptance not required for validity
- Exchange is one-way seller → buyer; no central buyer portal, no obligation to receive
- Downtime: BIR-authorized manual invoices, replaced by e-invoice citing the manual number

# Format & technical requirements

## Valid e-invoice

- Structured data: BIR JSON schema (CAS and CRM/POS templates, v2.01)
- Core fields: EisUniqueId (24 char), IssueDtm, seller TIN, BranchCd, ItemList, SalesAmt, NetSales
- RR 7-2024 content: name, TIN + branch, address, VAT status, serial no., buyer details > ₱1,000
- Non-applicable fields sent as null / 0.00

## Not an e-invoice

- Stand-alone PDF, scan or photo
- Word / Excel / Google Docs invoices
- System-printed invoice without e-reporting capability
- PDF allowed only as human-readable copy
- No Peppol, UBL, CII or EN 16931 alignment; attachments not regulated

# Getting ready: Permit to Issue & certification

1. **Map** Identify in-scope entities, branches and each invoicing system
2. **Apply PTI** File with RDO / Large Taxpayer Office – one PTI per system
3. **BIR review** Evaluation within 20 working days
4. **Go-live** Issue e-invoices only after PTI approval
5. **Certify** EIS Certification via eis-cert.bir.gov.ph within 6 months – else PTI revoked

Latest PTI filing

**late Nov 2026**

Working back 20 working days from 31 December. File earlier to absorb BIR queries.

*Permits are obtained by the taxpayer – never by the software vendor.*

# Corrections, contingency & e-reporting today

### Decrease

Credit note / memo for returns, discounts, overbilling

### Increase

New e-invoice referencing the original transaction

### Never

Edit or delete an issued e-invoice

### Downtime

Manual invoice → replace by e-invoice after restoration

## E-reporting until ESRS applies

- Quarterly VAT return BIR Form 2550Q – 25 days after quarter-end
- SLSP (.DAT via RELIEF): sales for all VAT taxpayers; purchases > ₱1m per quarter
- Monthly eSales for CRM/POS users
- Mismatches → Letter Notices / audit; correction via amended filings
- No ESRS correction procedure published yet

# Penalties & enforcement – no grace period

## ₱1k–50k

**+ 2–4 yrs**

Failure to issue / invoice without required info (Sec. 264(a))

## ₱10k/day

**or 0.1% NI**

Failure to transmit sales data (Sec. 264-A) – closure > 180 days

## ₱0.5m–10m

**+ 2–4 yrs**

Sales-suppression software or devices (Sec. 264-B)

- Plus Sec. 248 surcharge and Sec. 249 interest on deficiencies; reduced rates for micro/small taxpayers
- PTI revoked if EIS Certification not obtained within 6 months
- Business risk: customers may lose input VAT on non-compliant invoices

# Archiving, pre-filled returns & alignment

## Archiving

- 5 years from day after return deadline (RR 7-2024)
- Electronic books kept electronically
- No central BIR archive yet
- No explicit data-localization rule; ESPs must be PH-licensed

## Pre-filled VAT return

- Not available
- No plans announced
- ESRS data could enable it later
- Today: RELIEF cross-matching

## ViDA / international

- ViDA not applicable
- National JSON – no Peppol / EN 16931
- No cross-border data exchange planned
- Philippines-specific connector needed

# Impact on SMEs & incentives

**CREATE MORE deduction (RR 11-2025)**

**100%**

micro & small

**50%**

medium & large

Additional deduction on setup cost, claimed once in the year of completion; related imports tax-exempt. Available to voluntary adopters.

- Micro (< ₱3m) exempt; small e-commerce and CAS users in scope
- POS-based retail deferred to Stage 2
- No free government invoicing tool; test portal and RELIEF only
- Entry-level cloud tools ~₱131–551/month; large taxpayers face millions
- False "BIR-accredited" vendor claims – BIR warning 14 Sep 2026
- No official SME readiness assessment; press reports uncertainty

# Main risks & open points

### Missing PTI on 31 Dec

No legal basis to issue e-invoices; Sec. 264(a) exposure

### ESP framework pending

No provider accredited; ESP engagement suspended by BIR

### ESRS & Stage 2 undated

Transmission and exporter/POS rollout could land at short notice

### Self-billing not addressed

No rules in RR 11-2025, RR 26-2025 or RMC 98-2026 – confirm with BIR

### Customer input VAT

Non-compliant invoices may be rejected by buyers

### Further postponement

Commissioner may extend – but do not plan on it

# Critical dates & next steps

| | |
|---|---|
| **Now** | Map entities, branches, systems vs Stage 1; confirm ERP can produce BIR JSON; screen vendors against 14 Sep advisory |
| **Oct 2026** | Monitor ESP issuance; select a provider only once the framework is published |
| **By late Nov** | File PTI applications (20 working-day review) – earlier is better |
| **31 Dec 2026** | Go-live e-invoice issuance with downtime procedure in place |
| **+ 6 months** | Complete EIS Certification or lose the PTI |
| **2027 →** | Track ESRS RR (3-day transmission, Sec. 264-A) and Stage 2 RR |

# Key sources

- BIR RMC No. 98-2026 (22 Sep 2026)
- BIR – RR No. 26-2025
- KPMG TaxNewsFlash – Philippines e-invoicing
- Grant Thornton Philippines – Tax Alerts
- PwC Philippines – Tax Alerts
- Sovos – Philippines e-invoicing
- VATupdate.com – Philippines

## Source-quality flags

- Some vendor guides still show March 2026, 10-year retention and 'Permit to Transmit'
- RMC 98-2026 PDF is a scanned copy
- Based exclusively on external sources