MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 125

TEMPORARILY SUSPENDING THE EXCISE TAXES ON SPECIFIC PETROLEUM PRODUCTS PURSUANT TO SECTION 148 OF REPUBLIC ACT NO. 8424 OR THE "NATIONAL INTERNAL REVENUE CODE OF 1997," AS AMENDED

WHEREAS, Section 148 of Republic Act (RA) No. 8424 or the "National Internal Revenue Code of 1997 (NIRC)," as amended, imposes excise taxes on refined and manufactured mineral oils and motor fuels;

WHEREAS, Section 1 of RA No. 12316, further amending Section 148 of the NIRC, as amended authorizes the President, upon recommendation of the Development Budget Coordination Committee (DBCC), in coordination with the Department of Energy (DOE), to temporarily suspend or reduce the excise tax on petroleum products when the average Dubai crude oil price based on the Mean of Platts Singapore (MOPS) reaches or exceeds Eighty United States Dollars (USD80) per barrel for the one (1) month period immediately preceding the issuance of an order;

WHEREAS, on 11 September 2026, the DOE certified that the average Dubai crude oil price based on MOPS covering the last thirty (30) calendar days has reached USD99.41 per barrel; and

WHEREAS, the DBCC, through Resolution No. 2026-11, recommended the full suspension of excise taxes on liquefied petroleum gas (LPG), except when used as raw material for production of petrochemical products or used for motive power, and kerosene, except when used as aviation fuel;

NOW, THEREFORE, I, FERDINAND R. MARCOS JR., President of the Philippines, by virtue of the powers vested in me by law and the Constitution, do hereby order:

Section 1. Temporary Suspension of Excise Taxes on Specific Petroleum Products. The excise taxes on LPG, except when used as raw material for production of petrochemical products or used for motive power, and kerosene, except when used as aviation fuel, are hereby fully suspended.

Section 2. Review During the Temporary Suspension. Within fifteen (15) days from the issuance of this Order, and every month thereafter, the DBCC, in coordination with the DOE, shall review the implementation of the suspension of excise taxes and submit a report to the House of Representatives (HOR) and the Senate, in accordance with RA No. 12316. Based on these reports, the DBCC may recommend to the President the continuation, modification, extension, or termination of said suspension.

Section 3. Automatic Reversion of Rates. The excise tax rates on petroleum products shall automatically revert to the rates prescribed under Section 148 of the NIRC, as amended, without need of further issuance, upon the occurrence of any of the following, whichever comes first:

i. One (1) week after the one (1)-month average Dubai crude oil price based on MOPS falls below USD80 per barrel, as certified by the DOE; or
ii. After three (3) months from the effectivity of this Order.

Section 4. Monitoring and Inventory Requirement. The DOE and the Department of Finance (DOF), through the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC), are directed to conduct an inventory of existing stocks of LPG and kerosene as of the effectivity of this Order. The BIR and the BOC shall likewise submit to the HOR monthly information on the declared value and volume of petroleum products covered by this Order.

Section 5. Submission of Data. The DOE is hereby directed, consistent with its mandate and in accordance with RA No. 12316 and other applicable laws, to require oil companies to submit, on a monthly basis, information on the cost components of petroleum products covered by this Order during the period of suspension of excise taxes thereon. The DOE shall submit such information to the DBCC and HOR, as required under RA No. 12316.

Section 6. Implementing Guidelines. The DOF, through the BIR and the BOC, and the DOE, may issue such rules, regulations, and guidelines, as may be necessary, to effectively implement this Order and ensure compliance with the requirements of RA No. 12316.

Section 7. Separability. If any provision of this Order is declared unconstitutional or invalid, the remaining provisions not affected thereby shall remain in full force and effect.

Section 8. Repealing Clause. All orders, rules, regulations, and other issuances, or parts thereof which are inconsistent with this Order, are hereby repealed, amended, or modified accordingly.

Section 9. Effectivity. This Order shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.

DONE, in the City of Manila this 25th day of September in the year of Our Lord, Two Thousand and Twenty-Six.

By the President:

RALPH G. RECTO
Acting Executive Secretary

REPUBLIC OF THE PHILIPPINES
PBBM013944

Office of the President
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ATTY. KATRISHA CAROLINE B. KOK
DIRECTOR IV