



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



08 July 2019


Mr. Fernando Martin B. Aguila
National Tax Research Center
Harbor Center II
23rd Street corner Delgado Street
Port Area, Manila

SUBJECT: Percentage Tax on Insurance Companies

Dear Mr. Aguila:

This is relative to your query on the possibility for non-life insurance premiums to be subjected to 3% percentage tax instead of the 12% VAT. Please be advised that based on the submitted 2018 Annual Statements of non-life insurance companies, their annual gross sales range from P15,690,728.00 to P9,723,563,562.00. Accordingly, all non-life insurance companies are taxed at 12% VAT, except for health and accident (life) insurance premium.

Very truly yours,


EVELYN N. SINGUN
IC Division Manager
Non-Life Division