



Bringing in Revenues
for Nation-Building

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE



REVENUE MEMORANDUM CIRCULAR NO. 058 - 2026

SUBJECT : Procedures for the Filing and Payment of Quarterly Royalty under Republic Act No. 12253, Otherwise Known as the “Enhanced Fiscal Regime for Large-Scale Metallic Mining Act”

TO : All Internal Revenue Officers and Others Concerned

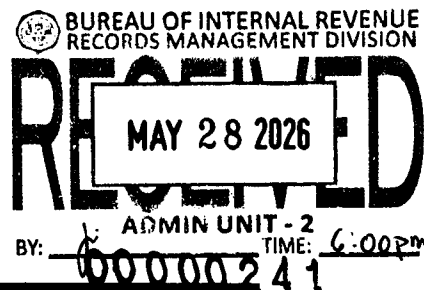
This Circular is hereby issued to prescribe the procedures for the filing of quarterly royalty return and payment of royalty under Section 151-A of the National Internal Revenue Code of 1997, as amended (Tax Code), as introduced under Republic Act (RA) No. 12253, otherwise known as the “Enhanced Fiscal Regime for Large-Scale Metallic Mining Act,” and its Implementing Rules and Regulations pending the availability of the dedicated return for payment of royalty, in order to ensure compliance by affected taxpayers.

SECTION 1. COVERAGE. – The procedures herein shall apply to all large-scale metallic mining contractors and operators who are required to file quarterly royalty returns and pay the corresponding royalty under Section 151-A of the Tax Code, pursuant to the provisions of RA No. 12253, which provide that they shall become subject to the fiscal regime provided therein after one hundred and fifty (150) days from the effectivity of the Act, or on February 17, 2026.

SECTION 2. FILING AND PAYMENT OF QUARTERLY ROYALTY. –

- a) **Filing Deadline.** Large-scale metallic mining contractors and operators subject to the payment of royalty under Section 151-A of the Tax Code shall file the corresponding return and pay the royalty within sixty (60) days after the close of each calendar or fiscal quarter, as applicable.
- b) **Filing and Payment Facility.** Pending the issuance of a dedicated quarterly royalty return and the availability of the corresponding electronic filing and payment facilities, the quarterly royalty shall be filed and paid using BIR Form No. 0605, either electronically through the Electronic Filing and Payment System (eFPS) for eFPS filers or manually for non-eFPS filers, with the following specifications:

- i. Tax type: “MC”
- ii. Alphanumeric Tax Code (ATC):
MC 344 – Operations Within Mineral Reservations
MC 345 – Operations Outside Mineral Reservations



- iii. Manner of Payment: "Voluntary Payment"
- iv. Description field: "Others (Specify)" and indicate: "type of agreement and agreement number"

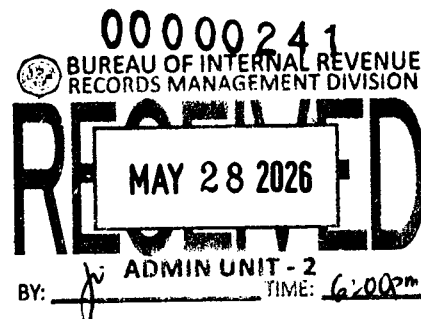
Example: "MPSA No. 123-2026-XIII"

The filing and payment made through BIR Form No. 0605 shall be considered as advance or initial compliance with the quarterly royalty liability for the corresponding period, without prejudice to the subsequent filing of the prescribed quarterly royalty return, once available, and shall be subject to validation, monitoring, reconciliation, and necessary adjustment upon the issuance of the prescribed revenue issuance and/or forms governing the filing thereof.

- c) **Separate Filing per Agreement under Ring-Fencing Requirement.** Where a large-scale metallic mining contractor or operator holds two (2) or more mineral agreements, financial or technical assistance agreements (FTAAs), and/or operating agreements, the quarterly royalty return for each agreement shall be filed and paid separately. Each agreement shall be treated as a distinct ring-fenced project for purposes of determining, reporting, and accounting for the corresponding quarterly royalty liability, consistent with Section 151-C of the Tax Code.
- d) **Computation of Quarterly Royalty.** The quarterly royalty due for each ring-fenced project shall be computed in accordance with Section 151-A of the Tax Code, taking into account:
 - i. the gross output base, and allowable deductions and applicable royalty rate which shall differ depending on whether the mining operations are conducted within or outside mineral reservations; and
 - ii. such other rules and requirements as may be prescribed in the implementing Revenue Regulations to be issued pursuant to RA No. 12253.

Pending the issuance of such implementing Revenue Regulations by the Bureau of Internal Revenue (BIR), covered taxpayers shall apply the computation methodology directly prescribed under Section 151-A of the Tax Code and the Implementing Rules and Regulations dated December 18, 2025 issued by the Department of Finance.

Mining contractors and operators shall likewise maintain and preserve, and submit upon request, such schedules, computations, and supporting documents as may be necessary to substantiate the royalty paid, including but not limited to records supporting the determination of gross output base, allowable deductions, and the applicable royalty rate.



ILLUSTRATIVE EXAMPLE. – ABC Nickel Corp. has two (2) existing Mineral Production Sharing Agreements (MPSA), namely:

- MPSA No. 123-2026-XIII (Operations Within Mineral Reservations); and
- MPSA No. 456-2026-XIII (Operations Outside Mineral Reservations)

Pursuant to Section 151-C of the Tax Code, separate BIR Form No. 0605 shall be filed for each MPSA.

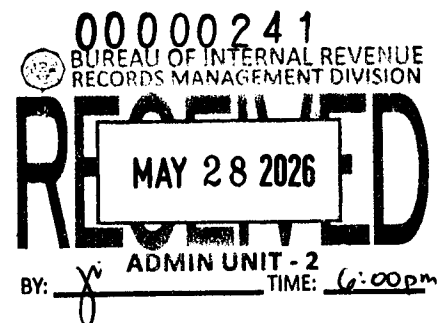
**A. Filing and Payment for MPSA No. 123-2026-XIII
(Operations Within Mineral Reservations)**

		Republika ng Pilipinas Kagawaran ng Pananalapi Kawanihan ng Rentas Internas		Payment Form		BIR Form No. 0605 September 2003(ENCS)	
1 For the Calendar Fiscal		3 Quarter Clear Quarter		4 Due Date (MMDD/YYYY)		5 No. of Sheets Attached SATC	
2 Year Ended (MM/YYYY) 12 - December 2026		☒ 1st ☐ 2nd ☐ 3rd ☐ 4th		05 30 2026		0 MC344	
7 Return Period (MMDD/YYYY) 03 31 2026		8 Tax Type Code MC					

17 Manner of Payment		18 Type of Payment	
Voluntary Payment ☐ Self-Assessment ☐ Penalties ☐ Tax Deposit/Advance Payment ☐ Income Tax Second Installment (Individual) ☒ Others (Specify) MPSA 123-2026-XIII		For Audit/Delinquent Account ☐ Preliminary/Final Assess/Delinquency Tax ☐ Accounts Receivable/Delinquent Account	
☐ Installment No. of Installment ☐ Partial Payment ☒ Full Payment			

Part II Computation of Tax			
19 Basic Tax/Deposit/Advance Payment		19 500,000.00	
20 Add Penalties			
20A Surcharge	20B Interest	20C Compromise	20D
0.00	0.00	0.00	0.00
21 Total Amount Payable (Sum of Items 19 & 20D)		21 500,000.00	

For Voluntary Payment	Payment of Delinquency Taxes From Audit/Investigation Delinquent Accounts
I declare, Under the penalties of perjury, that this document has been made in good faith, verified by me, and to the best of my knowledge and belief, is true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof.	Pre-approved by Investigating Office Not approved by Investigating Office



**B. Filing and Payment for MPSA No. 456-2026-XIII
(Operations Outside Mineral Reservations)**

Republika ng Pilipinas Kagawaran ng Pananalapi Kawanihan ng Rentas Internas		Payment Form		BIR Form No. 0605 September 2003(ENCS)	
1 For the Calendar Fiscal		3 Quarter Clear Quarter		4 Due Date (MMDD/YYYY)	
2 Year Ended (MM/YYYY)		5 No. of Sheets Attached SATC			
12 - December 2026		☒ 1st ☐ 2nd ☐ 3rd ☐ 4th		05 30 2026 0 MC345	
7 Return Period (MMDD/YYYY)		8 Tax Type Code			
03 31 2026		MC			
17 Manner of Payment				18 Type of Payment	
Voluntary Payment		Per Audit/Delinquent Account		19	
☐ Self-Assessment ☐ Penalties ☐ Tax Deposit/Advance Payment ☐ Income Tax Second Installment (Individual) ☒ Others (Specify)		☐ Preliminary/Final Assess/Delinquency Tax ☐ Accounts Receivable/Delinquent Account		☐ Installment ☐ No. of Installment ☐ Partial Payment ☒ Full Payment	
MPSA 456-2026-XIII					
Part II Computation of Tax					
19 Basic Tax/Deposit/Advance Payment				19 500,000.00	
20 Add Penalties					
Surcharge		Interest		Compromise	
20A 0.00		20B 0.00		20C 0.00	
21 Total Amount Payable (Sum of Items 19 & 20C)				21 500,000.00	
For Voluntary Payment			Payment of Delinquency Taxes From Audit/Investigation Delinquent Accounts		
I declare, Under the penalties of perjury, that this document has been made in good faith, verified by me, and to the best of my knowledge and belief, is true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof.			Pre-approved by Investigating Office Not approved by Investigating Office		

SECTION 3. BOND REQUIREMENT. – The requirement for the submission of a bond to secure the payment of the royalty, if any, shall be subject to further guidelines to be issued by the BIR in a separate revenue issuance.

SECTION 4. EFFECTIVITY. – This Circular shall take effect immediately.

All internal revenue officers and employees are hereby enjoined to give this Revenue Memorandum Circular as wide publicity as possible.

CHARLITO MARTIN R. MENDOZA
 Commissioner of Internal Revenue

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