

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**EIGHTEENTH CONGRESS**  
Third Regular Session

House Bill No. 9958



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**Introduced by REPRESENTATIVE JOEY SARTE SALCEDA**

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**AN ACT**  
**EXEMPTING THE EMERGENCY PROCUREMENT OF**  
**MEDICAL SUPPLIES AND DEVICES FOR COVID-19 PREVENTION,**  
**CONTROL, AND TREATMENT FROM TAXES, FEES, AND CHARGES**

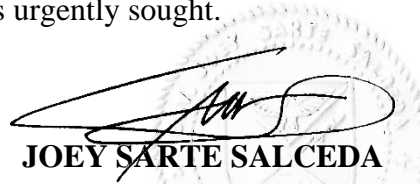
**EXPLANATORY NOTE**

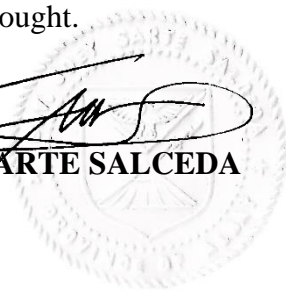
The COVID-19 situation continues to evolve as new variants of the existing virus emerge. The Delta variant, for example, causes more infections and spreads faster than early forms of the COVID-19 virus. It may also cause more severe illness than previous strains in unvaccinated individuals.

As variants grow more infectious even as the country tries to attain herd immunity, our healthcare capacity will experience periodic surges of cases. As a result, certain essentials, such as medical oxygen, personal protective equipment (PPE), ventilators, syringes, and other devices will be in short supply during critical periods.

To anticipate such surges, this representation proposes to grant the Secretary of Finance, upon the recommendation of the Secretary of Health and Secretary of Trade and Industry, broad powers to exempt the manufacture, sale, and importation of such goods from taxes, fees, and charges. This bill also grants the power to exempt exporters from their export quotas, in order that they may be able to supply to the domestic market.

In view of the foregoing, the approval of this bill is urgently sought.

  
**JOEY SARTE SALCEDA**



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*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. *Short Title.* – This Act shall also be known as the “COVID-19 Emergency Tax Exemption Act.”

SEC. 2. *Exemption from duties and taxes.* – The Secretary of Finance and the Secretary of Health shall jointly and periodically issue during the effectivity of this Act a list of critical or needed supplies for the prevention, control, and treatment of COVID-19, including healthcare equipment and supplies, whose manufacture, sale, or importation shall be exempt from import duties, taxes, and other fees. The Secretary of Finance shall issue the necessary rules and regulations for the implementation of such exemption.

SEC. 3. *Exemption from export requirements.* – The Secretary of Finance, upon the recommendation of the Secretary of Health and Secretary of Trade and Industry, may suspend thresholds on required export sales for availment of privileges under Title XIII of the National Internal Revenue Code, as amended, for goods critically needed for the prevention, control, and treatment of COVID-19 during the effectivity of this Act, or for specific registered business enterprises manufacturing such goods:

*Provided*, that such exemptions shall be subject to a periodic review: *Provided further*, that the Secretary of Finance, upon the recommendation of the Secretary of Trade and Industry and Secretary of Health, may make such exemptions conditional on exempted registered business enterprises meeting certain quotas or minimum shares of their output for supplying domestic needs.

The Secretary of Finance shall issue the necessary rules, regulations, and conditions for the availment and administration of such exemption.

SEC. 4. *Construction or Interpretation.* – Nothing herein shall be construed as an impairment, restriction or modification of the provisions of the constitution, in case the exercise

of the powers herein granted conflicts with other statutes, orders, rules or regulations, the provisions of this Act shall prevail.

SEC. 5. *Separability.* – If any provision of this Act or the application of such provision to any person or circumstance is declared invalid, the remainder of this Act or the application of such provision to any other person or circumstance shall not be affected by such declaration.

SEC. 6. *Effectivity.* – This Act shall take effect immediately upon its publication in a newspaper of general circulation or in the Official Gazette and shall be in full force and effect until December 31, 2022, unless extended or revoked sooner by Congress.

Approved,