



HOUSE OF REPRESENTATIVES

H. No. 9171

BY REPRESENTATIVES SUANSING (H.), SUANSING (E.), SALCEDA, YAP (E.), UNGAB, SINGSON-MEEHAN, ARAGONES, CHIPECO, PADIERNOS, SUNTAY, TEJADA, TAMBUNTING, TAN (A.), OLIVAREZ, ARENAS, ATIENZA, ESCUDERO, HERNANDEZ, MARCOLETA, REVILLA, RODRIGUEZ, SAVELLANO, AGABAS, DE VENECIA, QUIMBO, ZARATE, ERMITA-BUHAIN, BAUTISTA-BANDIGAN, CAMPOS, CUA, CUARESMA, DAZA, FARIÑAS I (R.C.), FRASCO, GASATAYA, GO (E.C.), GONZAGA, GONZALEZ, HARESCO, JALOSJOS, LIMKAICHONG, NUÑEZ-MALANYAON, MOMO, SAGARBARRIA, SUAREZ (D.), SY-ALVARADO, VARGAS, VIOLAGO, ZUBIRI, ALBANO, BARBA, BASCUG, BENITEZ, BORDADO, CABREDO, CARI, DAGOOC, DALOG, DELOS SANTOS, DIMAPORO (A.), DIMAPORO (M.K.), DY (F.), DY (F.M.C.), FORTUNO, GUICO, GULLAS, GUYA, HOFER, JIMENEZ, LABADLABAD, NATIVIDAD-NAGAÑO, ORTEGA, TAN (A.S.), TIANGCO, TY (D.), VARGAS ALFONSO, VERGARA, BABASA, DEFENSOR (M.), ERIGUEL, FLORES, GAITE, GO (M.), LACSON, ROBES, ESPINO, LAGON, DEFENSOR (L.), GARCIA (P.J.), SALIMBANGON, NOLASCO, DELOSO-MONTALLA, GATCHALIAN, FUENTEBELLA, YU, FORTUN, BAÑAS-NOGRALES, PIMENTEL, ROMULO, NOGRALES (J.J.), YAP (V.), GARIN (S.), GARIN (J.), NIETO AND DALIPE, PER COMMITTEE REPORT No. 904

AN ACT IMPOSING EXCISE TAX ON PLASTIC BAGS, THEREBY ADDING A NEW SECTION, DESIGNATED AS SECTION 150-C, IN THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “*Plastic Bags Tax*
2 *Act.*”

3 **SEC. 2. *Declaration of Policy.*** – It is hereby declared the policy of the State to
4 protect and advance the right of the people to a balanced and healthful ecology in
5 accord with the rhythm and harmony of nature through the proper exercise of its
6 power of taxation.

7 **SEC. 3.** A new section designated as Section 150-C of the National Internal
8 Revenue Code of 1997, as amended, is hereby added to read as follows:

9 “SEC. 150-C. PLASTIC BAGS. -

10 (A) **RATE AND BASE OF TAX.** – THERE SHALL BE LEVIED, ASSESSED,
11 AND COLLECTED AN EXCISE TAX IN THE AMOUNT OF TWENTY PESOS
12 (PHP20.00) FOR EVERY KILOGRAM OF PLASTIC BAG REMOVED FROM
13 THE PLACE OF PRODUCTION OR RELEASED FROM THE CUSTODY OF
14 THE BUREAU OF CUSTOMS.

15 PLASTIC BAGS SHALL REFER TO SECONDARY LEVEL PLASTICS MADE
16 OF SYNTHETIC OR SEMISYNTHETIC ORGANIC POLYMER, COMMONLY
17 KNOWN AS “*LABO*” OR “*SANDO*” BAGS, WITH OR WITHOUT HANDLE,
18 USED AS PACKAGING FOR GOODS OR PRODUCTS.

19 (B) **FILING OF RETURN AND PAYMENT OF EXCISE TAX ON PLASTIC**
20 **BAGS.** – THE PROVISIONS OF SECTIONS 130 AND 131 OF THE NATIONAL

1 INTERNAL REVENUE CODE OF 1997, AS AMENDED, ON THE FILING OF
2 RETURN AND PAYMENT OF EXCISE TAX SHALL APPLY.

3 (C) NON-PAYMENT OF EXCISE TAX. – NON-PAYMENT OF THE EXCISE
4 TAX IMPOSED UNDER THIS ACT SHALL BE SUBJECT TO THE PERTINENT
5 PROVISIONS UNDER TITLES VIII AND X OF THE NATIONAL INTERNAL
6 REVENUE CODE OF 1997, AS AMENDED, REGARDING COLLECTION OF
7 UNPAID TAXES AND IMPOSITION OF CORRESPONDING FINES,
8 SURCHARGES, PENALTIES, AND IMPRISONMENT OR CLOSURE OF
9 BUSINESS.”

10 **SEC. 4.** Section 288 of the National Internal Revenue Code of 1997, as amended,
11 is hereby further amended to read as follows:

12 “SEC. 288. Disposition of Incremental AND OTHER Revenues. –

13 (A) xxx

14 (B) xxx

15 (C) xxx

16 (D) xxx

17 (E) xxx

18 (F) xxx

19 (G) REVENUES FROM THE EXCISE TAX ON PLASTIC BAG. –

20 ONE HUNDRED PERCENT (100%) OF THE REVENUES COLLECTED FROM
21 THE EXCISE TAX ON PLASTIC BAGS SHALL BE ALLOCATED AND USED
22 EXCLUSIVELY FOR THE IMPLEMENTATION OF THE SOLID WASTE
23 MANAGEMENT PLANS OF LOCAL GOVERNMENT UNITS, WHICH MAY

1 INCLUDE THE ACQUISITION OF LAND FOR THE CONSTRUCTION AND
2 OPERATION OF SANITARY LANDFILLS, PURSUANT TO REPUBLIC ACT
3 NO. 9003, OTHERWISE KNOWN AS 'THE ECOLOGICAL SOLID WASTE
4 MANAGEMENT ACT OF 2000'."

5 **SEC. 5. *Implementing Rules and Regulations.*** – Within Sixty (60) days from
6 the effectivity of this Act, the Secretary of Finance shall, upon the recommendation
7 of the Commissioners of the Bureau of Internal Revenue and the Bureau of
8 Customs and, in consultation with the Department of Environment and Natural
9 Resources, issue and promulgate the necessary rules and regulations for the
10 effective implementation of this Act.

11 **SEC. 6. *Separability Clause.*** – If any provision of this Act shall be held
12 unconstitutional or invalid, the other provisions not otherwise affected shall
13 remain in full force and effect.

14 **SEC. 7. *Repealing Clause.*** – All laws, decrees, executive orders, rules, and
15 regulations or parts thereof which are contrary to or inconsistent with any
16 provision of this Act are hereby repealed, modified, or amended accordingly.

17 **SEC. 8. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
18 publication either in the *Official Gazette*, or in at least one (1) newspaper of general
19 circulation.

Approved,