

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

Thirteenth Congress
First Regular Session



HOUSE BILL NO. 1825

Introduced by Honorable JANETTE L. GARIN, M.D.

EXPLANATORY NOTE

This bill seeks to exempt the income and receipts from loans used to finance activities that are agriculturally based, related and/or located from taxes including income and gross receipt taxes.

Our country is blessed with rich natural resources including agricultural lands. Agriculture is the primary source of income of the majority of the Filipino family. But despite the rich agricultural lands, our farmers still belong to the poor and impoverish group of people. This situation is due to lack of financial resources to fully develop their lands as well as improve their technological and managerial capacity in handling their works. Given the opportunity such as exemption from taxes of the income and receipts from loans made to finance their agricultural activities, they will be able to use the savings from the exemption to uplift their production. This will also raise their social and economic standard.

Approval of the bill is therefore, highly recommended.


JANETTE L. GARIN, MD.

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AN ACT
EXEMPTING THE INCOME AND RECIEPTS FROM LOANS USED
TO FINANCE AGRICULTURALLY BASED, RELATED AND/OR
LOCATED ACTIVITIES AND BUSINESSES FROM TAXES.

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

SECTION 1. All income and receipts from loans used to finance agriculturally based, related and/or located activities and businesses shall be exempted from all taxes, including gross receipts and income tax.

SECTION 2. The Monetary Board within fifteen (15) days from the effectivity of this Act shall draw up a list and define Loans, businesses and activities covered by this Act, including those who may qualify to avail of the exemptions granted under this Act.

SEC. 3. The Secretary of Finance upon the approval of the Monetary Board shall issue the necessary tax exemption certificates in accordance with the rules and regulations the Monetary Board may prescribe.

SEC. 4. All laws, orders, issuances, rules and regulations which are contrary to the provisions of this Act are hereby repealed or modified accordingly.

SEC. 5. This Act shall take effect upon its approval.

Approved,