

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3816

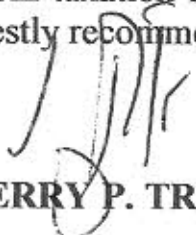
Introduced by Representatives Jerry P. Treñas and George P. Arnaiz

EXPLANATORY NOTE

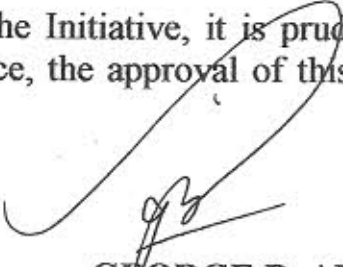
The Cities Development Initiative for Asia (CDIA) is an established Asia-wide regional technical assistance partnership facility supported by the Asian Development Bank, the Swedish SIDA, and the respective Governments of Germany, Austria, Singapore, and Spain. It is the intent of CDIA to solicit sustainable support from the countries of the Asian region.

The Initiative provides assistance to medium-sized Asian cities to bridge the gap between their development plans and implementation of their infrastructure investments. CDIA uses a demand-driven approach to support the identification and development of urban investment projects in the framework of existing city development plans, emphasizing environmental sustainability, pro-poor development, climate change, and good governance. In view of the laudable goals of the Initiative, the Republic of the Philippines has agreed to host the CDIA headquarters in Manila, and to be a member of its Governing Council.

Considering the non-profit nature of the Initiative, it is prudent to exempt CDIA from taxation in the Philippines. Hence, the approval of this bill is highly and earnestly recommended.



JERRY P. TREÑAS



GEORGE P. ARNAIZ

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AN ACT TO EXEMPT THE CITIES DEVELOPMENT INITIATIVE FOR ASIA OR ITS SUCCESSORS FROM THE PAYMENT OF GIFT, FRANCHISE, SPECIFIC, PERCENTAGE, REAL PROPERTY, EXCHANGE, IMPORT, EXPORT, AND OTHER TAXES. AND THE MEMBERS OF ITS SCIENTIFIC AND TECHNICAL STAFF FROM PAYMENT OF INCOME AND VALUE ADDED TAX.

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

Section 1. – The provisions of existing laws or ordinance notwithstanding, the Cities Development Initiative for Asia, or its successors, shall be exempt from payment of gift, franchise, specific, percentage, real property, exchange, import, export, and other taxes provided under existing laws and ordinances. This exemption shall extend to goods imported and owned by the Cities Development Initiative for Asia to be leased or used by members of its staff.

Section 2. – All gifts, bequests, donations, and contributions which may be received by the Cities Development Initiative for Asia from any source whatsoever, or which may be granted by the Initiative to any individual or non-

profit organization for educational or scientific purpose, shall be exempt from payment of the taxes imposed under Title III of the National Internal Revenue Code. All gifts, contributions, and donations to the Initiative shall be considered allowable deductions for purposes of determining income tax of the donor.

Section 3. – Non-Filipino citizens on the technical staff and scientific staff of the Cities Development Initiative for Asia shall be exempt from the payment of income tax on salaries and stipends in dollars received solely and by reason of service rendered to the Initiative.

Section 4. **Separability Clause.** – If any part, section or provision of this Act is held invalid or unconstitutional, other provisions not affected thereby shall remain in full force and effect.

Section 5. **Repealing Clause.** – All laws, decrees, orders, rules and regulations or other issuances inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 6. **Effectivity.** – This Act shall take effect fifteen (15) days after publication in the Official Gazette or in two (2) national newspapers of general circulation.

Approved,