

FIFTEENTH CONGRESS
REPUBLIC OF THE PHILIPPINES
FIRST REGULAR SESSION

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HOUSE OF REPRESENTATIVES

Introduced by Honorable Rufus B. Rodriguez and
Honorable Maximo B. Rodriguez, Jr.

House Bill No. 4309

EXPLANATORY NOTE

At present, the government imposes an additional Value Added Tax on petroleum products at 12% of the value of the fuel. And with the prices of oil per barrel continuing to rise worldwide, the tax base of fuel also increases which leads to higher gas prices for the Filipino people. Also the continuous fluctuation of fuel prices leads to instability in local gas prices which provides additional hardship and burden to our people.

As of February 2011, gasoline is priced between P48.30-P49.74 per liter while diesel is priced at P39.95 – P42.10 per liter. And there are reports that the price of oil will continue to rise because of uncertainty in the Middle East which means that local prices would also increase.

One way to help ease the burden is to limit the imposition of the Value-Added Tax. This way, the government would not lose out too much while at the same time, the consumers are not imposed such a heavy burden when it comes to gas prices.

In view of the foregoing, immediate approval of this bill is earnestly requested.


RUFUS B. RODRIGUEZ


MAXIMO B. RODRIGUEZ, JR.

FIFTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
FIRST REGULAR SESSION)

HOUSE OF REPRESENTATIVES

4309

Introduced by Honorable Rufus B. Rodriguez and
Honorable Maximo B. Rodriguez, Jr.

**LIMITING THE IMPOSITION OF THE 12 PERCENT VALUE ADDED TAX ON
PETROLEUM PRODUCTS ONLY ON INSTANCES WHEN THE WORLD PRICE
OF OIL IS US\$80 OR LOWER PER BARREL**

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

SECTION 1. It is hereby mandated that the 12 percent Value Added Tax shall only be imposed on petroleum products when the price of oil in the world market is US\$80 or below.

SEC. 2. Repealing Clause – All laws, decrees, orders, instructions, proclamations, rules and regulations or parts thereof, which are inconsistent with this Act, are hereby repealed, modified, or amended accordingly.

SEC. 3. Effectivity – This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

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FIFTEENTH CONGRESS)
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HOUSE OF REPRESENTATIVES

1309

Introduced by Honorable Rufus B. Rodriguez and
Honorable Maximo B. Rodriguez, Jr.

AN ACT

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