



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



Fifteenth Congress
First Regular Session

COMMITTEE REPORT NO. 823

Submitted by the Committee on Ways and Means on 23 MAR 2011

Re : House Bill No. 4443

Recommending its approval in substitution of House Bill Nos. 3200 and 3787

Sponsors : Reps. Hermilando I. Mandanas, Paolo Everardo S. Javier,
Sigfrido R. Tinga and Teddy A. Casiño

Mr. Speaker:

The Committee on Ways and Means to which was referred House Bill No. 3200 introduced by Rep. Sigfrido R. Tinga, entitled:

"AN ACT PROMOTING THE LOCAL ARTS AND ENTERTAINMENT INDUSTRY BY PROVIDING THE LOCAL MOVIE AND FILM INDUSTRY CORPORATE TAX BREAKS AND EXEMPTING VENUE OPERATORS FROM THE PAYMENT OF AMUSEMENT TAX WHEN SHOWING LOCALLY PRODUCED FILMS AND MUSIC" and

House Bill No. 3787 introduced by Rep. Teddy A. Casiño, entitled:

"AN ACT PROVIDING FOR TAX EXEMPTIONS AND SUBSIDIES FOR THE LOCAL MUSIC INDUSTRY AND AMENDING FOR THIS PURPOSE CERTAIN SECTIONS OF THE LOCAL GOVERNMENT CODE OF 1991"

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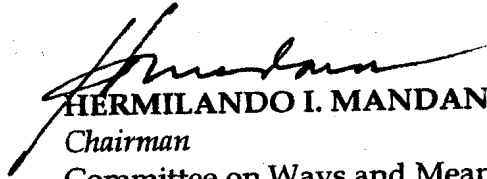
has considered the same and recommends that the attached House Bill No. _____, entitled:

"AN ACT PROVIDING FOR TAX EXEMPTIONS AND SUBSIDIES FOR THE LOCAL MUSIC INDUSTRY, AMENDING FOR THIS PURPOSE CERTAIN SECTIONS OF

"THE LOCAL GOVERNMENT CODE OF 1991"

be approved in substitution of House Bill Nos. 3200 and 3787, with Representatives Sigfrido R. Tinga, Teddy A. Casiño, Hermilando I. Mandanas and Paolo Everardo S. Javier as authors thereof.

Respectfully submitted,


HERMILANDO I. MANDANAS
Chairman
Committee on Ways and Means

The HONORABLE SPEAKER
House of Representatives
Quezon City



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Fifteenth Congress

First Regular Session

HOUSE BILL NO. 4443

Introduced by Representatives Sigfrido R. Tinga, Teddy A. Casiño, Hermilando
I. Mandanas and Paolo Everardo S. Javier

AN ACT
PROVIDING FOR TAX EXEMPTIONS AND SUBSIDIES FOR THE LOCAL
MUSIC INDUSTRY, AMENDING FOR THIS PURPOSE CERTAIN
SECTIONS OF THE LOCAL GOVERNMENT CODE OF 1991

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 "Local Music
2 Industry Incentives Act".

3 SEC. 2. *Declaration of Policy.* - The State, in its belief that culture is a
4 human right and a manifestation of the freedom of belief and expression, shall
5 promote and protect the Filipino national culture which includes the local music
6 industry. First and foremost, it shall encourage and promote the creation of
7 original Filipino music and provide support to make the industry internationally
8 competitive. It shall ensure that the music industry provides cultural
9 opportunities to all Filipinos.

10 SEC. 3. Section 140 of Republic Act No. 7160, otherwise known as "The
11 Local Government Code of 1991", as amended by Republic Act No. 9640, is
12 hereby further amended to read as follows:

13 "SEC. 140. Amusement Tax. - (a) The province may levy an
14 amusement tax to be collected from the proprietors, lessees, or operators
15 of theaters, cinemas, concert halls, circuses, boxing stadia, and other
16 places of amusement at a rate of not more than ten percent (10%) of the
17 gross receipts from the admission fees.

"x x x

"(c) The holding of operas, concerts, dramas, recitals, painting and art exhibitions, flower shows, musical programs, literary and oratorical presentations, [except] INCLUDING pop, rock, or similar concerts AS LONG AS THEY FEATURE MAINLY FILIPINO ARTISTS AND FILIPINO COMPOSITIONS shall be exempt from the payment of the tax herein imposed.

"x x x

"(e) THE PROCEEDS FROM THE AMUSEMENT TAX FROM CONCERTS AND OTHER MUSIC RELATED PRESENTATION MAY BE EARMARKED FOR SUBSIDIZING WORKSHOPS OF LOCAL THEATER MUSICALS AND/OR TRAINING AND WORKSHOPS FOR LOCAL ARTISTS AND COMPOSERS. The REMAINING proceeds [from the amusement tax] shall be shared equally by the province and the municipality where such amusement places are located."

SEC. 4. The Department of Interior and Local Government, National Commission for Culture and the Arts, different music industry guilds and organizations, as well as producers and other stakeholders shall, within sixty (60) days from the effectivity of this Act, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 5. All laws, decrees, executive orders, rules and regulations or parts thereof which are contrary to or inconsistent with this Act are hereby repealed, amended or otherwise modified accordingly.

SEC. 6. This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,

FACT SHEET

HOUSE BILL NO. 4443

AN ACT PROVIDING FOR TAX EXEMPTIONS AND SUBSIDIES FOR THE LOCAL MUSIC INDUSTRY, AMENDING FOR THIS PURPOSE CERTAIN SECTIONS OF THE LOCAL GOVERNMENT CODE OF 1991

Introduced by: HON. SIGFRIDO R. TINGA, TEDDY A. CASIÑO, HERMILANDO I. MANDANAS AND PAOLO EVERARDO S. JAVIER

Committee Referral: WAYS AND MEANS

Committee Chairperson: HON. HERMILANDO I. MANDANAS

OBJECTIVES:

- To encourage and promote the creation of original Filipino music.
- To provide support to make the music industry internationally competitive.
- To ensure that the music industry provides cultural opportunities to all Filipinos.

KEY PROVISIONS:

- Amending Section 140 of the Local Government Code of 1991, as amended, to exempt the holding of pop, rock or similar concerts featuring mainly Filipino artists and Filipino compositions from the payment of amusement tax.

RELATED LAW

- Republic Act No. 7160 (Local Government Code of 1991)