



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

Sixteenth Congress
Second Regular Session

HOUSE BILL NO. 4716



Introduced by
Hon. Mariano U. Piamonte Jr. and Hon. Julieta R. Cortuna
Representatives, A TEACHER Party-list

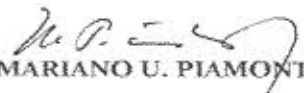
EXPLANATORY NOTE

Climate change threat has not only been a speculation lately but already become a reality as shown by the strength of the latest super typhoon Yolanda. It is now an established fact in the scientific community that carbon emission has caused global warming that eventually led to climate change. The need to shift to renewable energy sources has already been agreed by governments worldwide but the pace of the shift is barely noticeable.

One of the stumbling blocks to the shift in renewable energy sources is the huge cost that the government will entail doing it. To reduce the governmental cost of shifting to renewable energy sources, it would be better to tap the private sector and the public in general to move along in the global effort to shift to renewable energy system.

To entice the private sector and the public in general to shift to renewable energy, tax rebates should be offered as incentives.

In view of the foregoing, passage of this bill is hereby being earnestly sought.


MARIANO U. PIAMONTE, JR.


JULIETA R. CORTUNA



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

Sixteenth Congress
Second Regular Session

HOUSE BILL NO. 4716

Introduced by
Hon. Mariano U. Piamonte Jr. and Hon. Julieta R. Cortuna
Representatives, A TEACHER Party-list

AN ACT
MANDATING TAX REBATES TO INDIVIDUALS PURCHASING RENEWABLE
ENERGY DEVICE OR SYSTEM

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

1 **SECTION 1. Declaration of Policy.** It shall be the policy of the
2 state to promote the use of renewable energy to combat global
3 warming that caused climate change.

4

5 **SECTION 2. Definition of Terms.** For purposes of
6 implementing this act, the following terms shall be interpreted to
7 mean as follows:

8 a.) Renewable Energy – shall mean as the form of producing
9 energy derived from environmentally friendly source such as solar,
10 wind, hydro, geothermal, sea waves and other similar sources which
11 does not employ the use of fossil fuel or the likes of it.

1 b.) Device – shall mean as the object in whole or part of a
2 system that produces or stimulates, aids or enhances the production
3 of energy or any other thing.

4 c.) Rebates – shall mean to be understood as the refund or
5 repayment by the government to a taxpayer who have duly paid his
6 taxes. The rebates should be in the form of cash or similar instrument
7 that could be readily available for use by the beneficiary.

8 d.) Individual – shall refer to a natural person or a juridical
9 person.

10 e.) Solar Panels – shall refer to that device which produces
11 electrical energy by mere exposure to light in accordance with
12 photovoltaic principles and similar technologies.

13 f.) Wind turbines- devices that produce energy from the
14 wind.

15 g.) Hydroelectric components – shall mean those objects,
16 instruments, gauges, wires, supports structures, alternators,
17 charge controllers, batteries and other related materials or
18 system components that are used to produce energy from hydro
19 power.

20 **SECTION 3.** The Bureau of Internal Revenue shall upon
21 request by an individual taxpayer, refund to the said taxpayer the
22 amount not exceeding fifty (50) percent of the tax he has paid for the
23 immediately preceding taxable year or fifty million pesos
24 (P50,000,000.00) which ever is lower as rebates for the taxpayer's
25 purchase of renewable energy device or components thereof such as
26 but not limited to the following:

- 1 a.) Solar panels and/or support components;
2 b.) Wind turbines, assembly, parts and/or support
3 components;
4 c.) Hydroelectric system, parts and/or components
5 d.) Inverter parts, assembly or components;
6 e.) Charge controller parts, assembly or components;
7 f.) Power storage batteries of any kind;
8 g.) Other renewable energy system or components as
9 certified by the Department of Science and Technology.
10

11 The amount of rebates however should not exceed sixty
12 percent (60%) of the amount of the purchase of renewable energy
13 devices or components or system.

14 System purchase rebates shall include the cost of labor,
15 consultancy and other related technology support services in
16 connection with the installation of purchased renewable energy
17 devices, parts or system by an individual.
18

19 **SECTION 4. *Implementing Rules and Regulation.*** The
20 Department of Finance in cooperation with the Department of
21 Science and Technology shall issue the necessary rules, regulation
22 and guidelines for the implementation of the provisions of this Act.
23

24 **SECTION 5. *Separability Clause.*** – Should any provision under
25 this Act be deemed invalid, the remainder of this Act not otherwise
26 affected, shall thereby remain in full force and effect.
27

1 **SECTION 6. *Repealing Clause.*** All laws or parts of any law,
2 orders, rules, and regulations or parts thereof inconsistent with this
3 Act are hereby repealed or amended accordingly.

4
5 **SECTION 7. *Effectivity Clause.*** This Act shall take effect fifteen
6 (15) days after its publication in the Official Gazette or in at least two
7 (2) newspapers of general circulation.

8
9 Approved,

10

11

12