



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

SIXTEENTH CONGRESS
Third Regular Session

House Bill No. **6156**

Introduced by AGAP Party-list Representative Nicanor M. Briones

AN ACT

INCREASING THE EXEMPTION OF OVERSEAS FILIPINO WORKERS (OFWS) BALIKBAYAN BOXES AND PERSONAL EFFECTS FROM TAX AND CUSTOMS DUTIES, AMENDING FOR THE PURPOSE THE NATIONAL INTERNAL REVENUE CODE (NIRC) AND THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES (TCC)

Explanatory Note

All across the world, Filipinos slowly, patiently fill that box, that “balikbayan” box that will travel many miles, across countries and continents, to bring a slice of joy and a piece of themselves to families, relatives, friends. These boxes, symbolic of their love and their displacement, do not contain gold, guns, riches – they are packed with clothes, simple household items, books, soap, toothpaste. All the things that the overseas Filipino worker (OFW) has lovingly collected in the course of the year.

And now, even these small, simple gestures of love has come under the radar of the Bureau of Customs (BOC), with the aim of collecting taxes on these OFW “balikbayan” boxes.

In recognition of the immense contribution of the OFWs to the Philippine economy though their remittances which reached the total amount of US\$ 24.308 Billion last 2014, this Bill seeks to increase the exemption of “balikbayan” boxes from tax and custom duties from US\$500.00 to US\$ 2,000.00, and the personal effects of OFWs and other returning Filipino migrants or residents abroad whose value does not exceed Php 100,000.00.

In view thereof, the immediate enactment of this Bill is earnestly sought.

NICANOR M. BRIONES

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

SECTION 1. Short Title. This Act shall be known as the “OFW Balikbayan Box Law.”

SEC. 2. Declaration of Policy. – It shall be the policy of the State to afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all. Likewise, the State shall affirm labor as a primary social economic force and shall protect the rights of workers and promote their welfare. In view thereof, the State shall assist to uplift the socio-economic status of overseas Filipino workers (OFWs) by providing adequate benefits and privileges.

SEC. 3. Definition of Terms. – For purposes of this Act:

a) “Overseas Filipino worker (OFW)” as defined under Republic Act No. 8042, as amended by RA 10022, refers to “a person who is to be engaged, is engaged or has been engaged in a remunerated activity in a state of which he or she is not a citizen or on board a vessel navigating the foreign seas other than a government ship used for military or non-commercial purposes or on an installation located offshore or on high seas; to be used interchangeably with migrant worker.”

b) “Balikbayan Boxes” refer to packages of personal and household effects which are non-commercial goods or goods not in commercial quantity strictly for personal use only sent by OFWs.

SEC. 4. Duty and Tax Exemption. – The value of the contents of Balikbayan Boxes shall be exempted from customs duties and taxes if the value of which do not exceed Two Thousand United States Dollars (US\$2,000.00). Personal effects of OFWs and other returning Filipino migrants or residents abroad whose value do not exceed One Hundred Thousand Pesos (Php 100,000.00) shall also be exempted from taxes and customs duties. Provided, that every six (6) years after the effectivity of this Act, the value herein stated shall be adjusted to its present value using the Consumer Price Index, as published by the Philippine Statistics Authority (PSA).

SEC. 5. Implementing Rules and Regulations. – For the effective implementation of this Act, the Department of Finance (DOF), Bureau of Customs (BOC) and the Bureau of Internal Revenue (BIR) shall promulgate the necessary rules and regulations within sixty (60) days from the approval of this Act.

SEC. 6. Separability Clause. – If any provision of this Act is declared unconstitutional, the remaining provisions not affected thereby shall continue in force.

SEC. 7. Repealing Clause. – All laws, orders, decrees, rules and regulations, and other parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 8. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,