

REPUBLIC OF THE PHILIPPINES
House of Representatives
Quezon City

16th Congress
3rd Regular Session

HOUSE BILL NO. **6187**



Introduced by Congressman Alfredo D. Vargas III

EXPLANATORY NOTE

Independent films or alternative cinemas usually include short films, documentaries, experimental or avant-garde films, and the like. Most of these films are made without the capitalization, machinery and influence found in major films studios. This form of filmmaking is outside the confines of commercial moviemaking.

In the Philippines, alternative cinema production is on the rise with 84% of locally-made movies every year consisting of indie films¹. Challenges remain, however. One particular obstacle is the lack of funds for marketing. As such, most indie films rarely become box office hits.

This bill seeks to motivate Filipino producers and directors to make quality independent films by providing grants and full tax exemption to award-winning indie movies.

To further empower the Philippine movie industry, the passage of this proposed legislation is earnestly sought.


ALFREDO D. VARGAS III

¹ Enriquez, Amee. 2013. *Indie films stake Philippine cinema claim*, BBC News. Available from: <http://www.bbc.com/news/world-asia-24427927> [25 September 2015]

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AN ACT
SUPPORTING THE PRODUCTION OF PHILIPPINE INDEPENDENT FILMS BY
PROVIDING INCENTIVES TO FILMMAKERS WHO ARE GIVEN HONORS IN NOTABLE
INTERNATIONAL FILM COMPETITIONS

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

SECTION 1. Short Title. - This Act shall be known as the "*Philippine Independent Film Incentives Act of 2015.*"

SECTION 2. *Declaration of Policy.* - It is the policy of the State to promote and support the development and growth of the local film industry, in general, and the production of independent films, in particular. The State shall endeavour to discover, encourage, and honor the cinematic works of Filipino filmmakers that boldly articulate and freely interpret the Filipino experience with fresh insight and artistic integrity.

SECTION 3. *Grants for Award-Winning Films.* - To achieve this Law's purpose. Philippine independent films that have been awarded the Best Film prize or its equivalent including those that merited recognition for technical excellence in respected international film competitions of cinema festivals shall be given the following incentives:

SEC. 3.1. A grant of Five Million Pesos (Php5,000,000.00) to the film production or entity that produces the award winning full-length feature or documentary film;

SEC. 3.2. A grant of Three Million Pesos (Php3,000,000.00) to the film production or entity that produces the award winning short feature or documentary film;

SEC. 3.3. Full tax exemption relevant to the screening of the film and its commercial exhibition, including those levied by local government film;

SEC. 3.4. The award winning film shall be considered and shall have the honor of being given an automatic rating of an "A" film being granted by the Cinema Evaluation Board.

SECTION 4. **Eligibility for Grants.** – To be eligible for a grant under Section 3.1., films must be made by Filipino filmmakers who have not yet directed more than three (3) full-length commercial feature films. The total production budget for the full-length feature or documentary film should not exceed Three Million Pesos (Php3,000,000.00). The film length should be between 90 to 120 minutes.

To be eligible for a grant under Section 3.2., the film must be made by a Filipino filmmaker. The total production budget for the short feature or documentary film should not exceed One Million Pesos (Php1,000,000.00). The film length shall not be more than 20 minutes (no minimum length).

SECTION 5. **Implementing Agency.** – The National Commission for Culture and the Arts (NCCA) is hereby authorized and directed to adopt a system to implement and carry out the provisions of this Act. The NCCA shall, within sixty (60) days from effectivity of this Act, promulgate rules and regulations to carry out and enforce the provision of this Act.

SECTION 6. **Appropriations.** – A special fund amounting to Fifty Million Pesos (Php50,000,000.00) which shall be sourced from the funds of the Philippine Amusement and Gaming Corporation (PAGCOR) is hereby created. Other amounts as may be necessary to carry out the provisions of this Act, are hereby authorized to be appropriated from the National Treasury.

SECTION 7. **Separability Clause.** – If any provision or part hereof is held invalid or unconstitutional, the remainder of the Act or the provision not otherwise affected shall remain valid and subsisting.

SECTION 8. **Repealing Clause.** – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provision of this Act, is hereby repealed, modified or amended accordingly.

SECTION 9. **Effectivity Clause.** – This Act shall effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,