

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
17th CONGRESS
First Regular Session

House Bill No. 4881

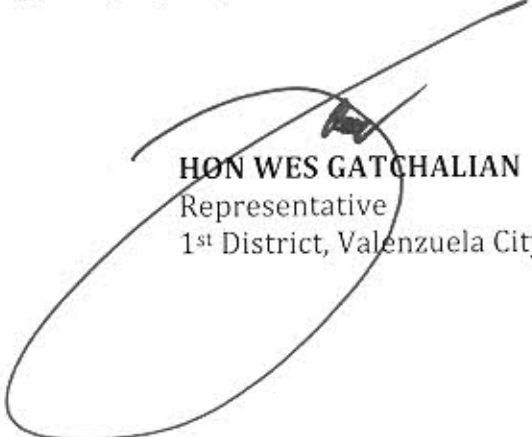


Introduced by Representative Wes Gatchalian

EXPLANATORY NOTE

As a free people, we enjoy the guarantees of the fullest enjoyment of life, liberty, and property. By these guarantees we are able, for the most part, aim for the moon and maximize our fullest potentials. What often goes overlooked however is the uncomfortable reality that these freedoms do not come without any cost. The constitution guarantees these freedoms, but unless there are men and women who lay their life on the line, these constitutional commitments would be nothing more than convoluting words before those who would threaten them. This bill therefore seeks to honor the men and women in uniform by exempting their estate from tax duties, thereby maximizing the benefits that they would pass onto those they have left behind.

As of this writing, depending on the taxable estate, the deductions on a person's estate, on top of a flat rate, is 20% of the said estate. There are of course serious policy considerations for why the government charges this much, but those notwithstanding, the author submits that it is just and proper that we no longer impose this burden on the estate of our men and women who died for us, for after all the service that they have already rendered to the state far outweighs whatever monetary gain the state will get through estate tax. In their lifetime they have guaranteed the convenience of our life, liberty, and property, in their death it is our time to guarantee theirs.


HON WES GATCHALIAN
Representative
1st District, Valenzuela City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
17th CONGRESS
First Regular Session
House Bill No. 4881

Introduced by Representative Wes Gatchalian

AN ACT
GRANTING EXEMPTION TO ESTATE TAX TO THE ESTATE OF DECEASED
MEMBERS OF THE ARMED FORCES OF THE PHILIPPINES AND THE PHILIPPINE
NATIONAL POLICE WHO DIE IN SERVICE AND AMENDING FOR THIS PURPOSE
THE PROVISIONS OF RA 8424

Section 1. *Statement of Policy* – The state recognizes the contribution of the men and women who give their lives in order to ensure the safety and preservation of the life liberty and property of its citizens. It is therefore the policy of the state to enact measures that eases up the burden on the heirs of its men and women in uniform.

Section 2 *Coverage of Exemption* - The estate of a member of the Armed Forces or the Philippine National Police shall be exempted from the payment of Estate Tax as defined by Section 84 of the RA 8424, otherwise known as the National Internal Revenue Code.

Section 3. *Implementing Rules* – The Bureau of Internal Revenues with the aid of the Armed forces of the Philippines and the Philippine National Police, are hereby mandated to promulgate rules and regulation for the effective implementation of this Act.

Section. 4. *Repealing Clause.* - All laws, executive orders, presidential decrees or issuances, letter of instruction, administrative orders, rules, and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Section 5. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved.