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Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 7436



Introduced by the Honorable Precious Hipolito Castelo

EXPLANATORY NOTE

Under Section 24 of Article II of the Constitution, it is provided that: "The State recognizes the vital role of communication and information in nation building". The COVID-19 pandemic has heightened the relevance of this Constitutional provision. Now, more than ever, going digital is inevitable and necessary, especially in the education sector.

The academic year was supposed to start in August 24, 2020. However, many have called for its postponement purportedly due to lack of resources, equipment, and overall preparedness to launch a nationwide shift to modular and online distance learning. Thus, the official commencement of Academic Year 2020-2021 has been moved to October 5, 2020. By then, it is hoped that everyone is ready to take on the "big shift".

One major predicament of teachers, students and parents are the lack of available resources. Electronic gadgets with the necessary specifications for studying are not affordable for everyone. Taxes such as customs duties and Value-Added Tax (VAT) make these gadgets more expensive.

Thus, this bill seeks to exempt electronic gadgets such as laptops, mobile phones and tablets which will be used by students for online distance learning from all taxes, duties, fees, and other charges. Through this measure, it is hoped that there will be adequate supply, stabilized prices, and prevention of hoarding of these vital commodities at the time of crisis.

The immediate passage of this bill is most earnestly sought.


PRECIOUS HIPOLITO CASTELO

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AN ACT
EXEMPTING ELECTRONIC GADGETS TO BE USED FOR ONLINE DISTANCE
LEARNING FROM TAXES, DUTIES, FEES, AND OTHER CHARGES

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

SECTION 1. *Short Title.* – This Act shall be known as the "Electronic Gadgets for Online Distance Learning Tax Exemption Act".

SEC. 2. *Declaration of Policy.* – It is the policy of the State to adopt an integrated and comprehensive approach to health development which shall endeavor to make essential personal protective goods available to all people at affordable cost. Towards this end, the State shall exempt electronic gadgets to be used for online distance learning from all taxes, duties, fees, and other charges.

SEC 3. *Tax Exemption.* – Electronic gadgets such as laptops, mobile phones, tablets and other similar goods which will be used by students for online distance learning are hereby exempt from all taxes, duties, fees, and other charges.

SEC. 4. *Separability Clause.* – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SEC. 5. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

SEC. 6. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,