

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
QUEZON CITY

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 9920

Introduced by REPRESENTATIVES ENRICO A. PINEDA and
MICHAEL ODYLON L. ROMERO, PhD.

EXPLANATORY NOTE

The 2020 Olympics has been the most special sports event in the country's history. Ms. Hidilyn Diaz' triumph in winning the first ever gold medal in the 55-kg Weightlifting event, even registering an Olympic record, lifting 224 kg in the said contest. The win ended the country's 97-years drought in its quest for an Olympic gold.

Republic Act No. 10699, known otherwise as National Athletes and Coaches Benefits and Incentives Act was enacted in November 2015 under the Aquino Administration to further expand the incentives and benefits of our national athletes and their coaches. The law subsequently amended Republic Act No. 9064, also known as the National Athletes, Coaches and Trainers Benefits and Incentives Act of 2001. RA No. 10699 specifically provides that Olympic gold, silver, and bronze medalists are entitled to Php 10 million, Php 5 million, and Php 2 million, respectively, from the previous Php 5 million for Olympic gold, while silver and bronze medalists were entitled to Php 2.5 million and Php 1 million.

However, the law is silent if the said incentives are tax-free. This bill seeks to amend the R.A. No. 10699 to explicitly assert that incentives given for our athletes who have brought glory and pride to our country by winning medals while representing our country in international sport events.

This measure also proposes that donations, contributions and rewards coming from the private sector be free of tax. This will encourage individuals and corporations from supporting our athletes further in their training. While the

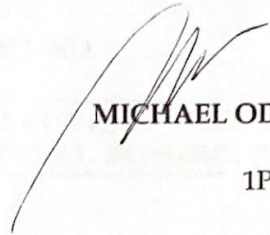


government is providing financial support to our athletes through the Philippine Sports Commission and our country's NSAs, the State should encourage the private sector to participate in the Philippines sports and athletics programs.

Hence, approval of this bill is earnestly sought.



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AN ACT AMENDING REPUBLIC ACT NO. 10699 OTHERWISE KNOWN AS
AN ACT EXPANDING THE COVERAGE OF INCENTIVES GRANTED TO
NATIONAL ATHLETES, APPROPRIATING FUNDS THEREFOR

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

Section 1. Section 8 of Republic Act No. 10699 is amended to read as follows:

XXX

"Section 8. Cash Incentives for Athletes. National athletes who are not officially or currently members who are not officially or currently members of the national training pool but who have otherwise represented the country in international sports competitions, who win gold, silver or bronze medals in international sports competition shall be entitled to cash incentives TAX-FREE in the following amounts:

XXX

Section 2. Section 8, Paragraph Five (5) of the same Act is amended to read as follows:

XXX

"Provided, further, That national athletes and other athletes who surpass Philippine record or ranking in any measurable international sports competition shall be given cash incentives TAX-FREE, the amount of which may be determined by the PSC."

XXX

Section 3. A new Section to be denominated as Section 11 of the same Act is hereby added to read as follows:

"SECTION 11. TAX EXEMPTIONS AND DEDUCTIONS FROM INDIVIDUALS OR CORPORATIONS. ANY DONATION, CONTRIBUTION, GIFT AND GRANT OF CASH, REAL, AND PERSONAL PROPERTY TO ANY ATHLETES WHO HAVE REPRESENTED THE COUNTRY IN INTERNATIONAL SPORTS COMPETITIONS, WHO WIN GOLD, SILVER OR BRONZE MEDALS IN INTERNATIONAL SPORTS COMPETITION SHALL CONSTITUTE AN ALLOWABLE DEDUCTION FROM THE INCOME OF THE DONOR FOR INCOME TAX PURPOSES AND SHALL BE EXEMPT FROM DONOR'S TAX, IN ACCORDANCE WITH THE PROVISIONS OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

ONLY DONATIONS, GIFTS, CONTRIBUTIONS AND GRANTS MADE WITHIN ONE (1) YEAR FROM THE DATE OF THE AWARDING OF MEDAL WAS WON SHALL BE ELIGIBLE FOR TAX INCENTIVES AS HEREIN PROVIDED.

Section 4. The succeeding sections of the same Act are hereby renumbered, respectively.

Section 5. Repealing Clause. Republic Act No. 10699 otherwise known as "An Act Expanding the Coverage of Incentives Granted to National Athletes and Coaches, Appropriating Funds Therefor is hereby amended. All laws, presidential decrees, executive orders, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 6. Separability Clause. If any provision or part hereof is declared unconstitutional, the remainder of this Act or any provision not affected shall remain in full force and in effect.

Section 7. Effectivity Clause. This Act shall take effect after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,