



Republic of the Philippines
House of Representatives
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

House Bill No. 10803

Introduced by REPRESENTATIVE ERIC L. OLIVAREZ

EXPLANATORY NOTE

Plastic pollution has become a global crisis affecting the environment throughout the years. Most of the plastic trash in the oceans flows from land. Trash is also carried to the sea by major rivers, which act as conveyor belts, picking up more and more trash as they move downstream. Once at sea, much of the plastic trash remains in coastal waters. But once caught up in ocean currents, it can be transported around the world. Every year, about eight (8) million tons of plastic waste escapes into the ocean from coastal nations. That is the equivalent of setting five (5) garbage bags full of trash on every foot of coastline around the world.¹ Furthermore, according to research, the Philippines is responsible for 36.4% of the world's ocean plastic pollution.²

The issue of plastic waste is not a problem that has gone unnoticed. In fact, it is quite evident that most Filipinos are aware of this problem since a growing number of cities and municipalities have enacted their respective ordinances banning single-use plastics. Likewise, the enactment of the Ecological Solid Waste Management Act was passed to provide for methods of waste reduction in the country. Despite these measures, the Philippines remains to be one of the countries with the most amount of plastic waste produced. With that said, it is only right that the

¹ <https://www.nationalgeographic.com/environment/article/plastic-pollution>

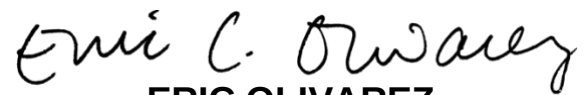
² <https://www.reusethisbag.com/articles/countries-that-pollute-most-ocean-plastics>



government of the Philippines, together with its citizens be in a continuous effort to address the issue of plastic waste.

This Bill aims to encourage Filipinos to utilize other more environment-friendly alternatives other than the use of plastic by imposing an excise tax on single-use plastic bags. Furthermore, this Bill can be a tool to generate revenue for the government which could be used to finance programs and projects to counter the harmful effects of plastic pollution in the country.

In view of the foregoing, the passage of this Bill is earnestly sought.


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1 **“AN ACT IMPOSING EXCISE TAX ON SINGLE-USE PLASTIC BAGS,**
2 **CREATING FOR THE PURPOSE SECTION 150-C OF THE NATIONAL**
3 **INTERNAL REVENUE CODE OF 1997, AS AMENDED”**

4 *Be it enacted in the Senate and the House of Representatives of the Republic of the*
5 *Philippines in Congress assembled:*

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7
8 **SECTION 1. Short Title.** – This act shall be known as the “*Single-*
9 *Use Plastic Bag Tax Act of 2021.*”

10 **SECTION 2. Declaration of Policy.** – It is hereby declared the
11 policy of the State to protect and advance the right of the people to a
12 balanced and healthful ecology in accord with the rhythm and harmony of
13 nature. Towards these ends, the State shall create measures that will
14 enhance the environment and the health of the Filipino citizens. The State
15 shall, through its power of taxation, provide measures that will not only
16 discourage the use of pollutants in the country but shall likewise generate
17 revenue which may be used for the continuous efforts in enhancing the
18 environment of the Philippines.

19 **SECTION 3.** A new section designated as Section 150-C under
20 Chapter VI, Title VI of the National Internal Revenue Code, as amended,
21 is hereby created to read as follows:

1 “SEC. 150-C. SINGLE-USE PLASTIC BAGS. –
2 (A) RATE AND BASE OF TAX. – EFFECTIVE JANUARY
3 1, 2023, THERE SHALL BE LEVIED, ASSESSED, AND
4 COLLECTED AN EXCISE TAX IN THE AMOUNT OF
5 TEN PESOS (PHP10.00) FOR EVERY SINGLE-USE
6 PLASTIC BAG REMOVED FROM THE PLACE OF
7 PRODUCTION OR RELEASED FROM THE CUSTOMS
8 HOUSE.

9
10 AS USED IN THIS SECTION, SINGLE-USE
11 PLASTIC BAGS SHALL MEAN SINGLE-USE PLASTIC
12 CARRIER BAGS, WITH OR WITHOUT HANDLE,
13 WHICH ARE SUPPLIED TO CONSUMERS AT THE
14 POINT OF SALE OF GOODS OR PRODUCTS.

15
16 (B) RETURN AND PAYMENT OF TAX. – THE
17 PROVISIONS OF SECTIONS 130 AND 141 OF THE
18 NIRC OF 1997, AS AMENDED, SHALL APPLY TO
19 SINGLE-USE PLASTIC BAGS AS APPROPRIATE.

20
21 (C) NON-PAYMENT OF EXCISE TAX. – NON-
22 PAYMENT OF THE EXCISE TAX IMPOSED UNDER
23 THIS ACT SHALL BE SUBJECT TO THE PERTINENT
24 PROVISIONS OF THE NIRC OF 1997, AS AMENDED,
25 REGARDING COLLECTION OF UNPAID TAXES AND
26 IMPOSITION OF CORRESPONDING FINES,
27 SURCHARGES, AND PENALTIES, AND
28 IMPRISONMENT AND/OR CLOSURE OF BUSINESS.”

29 **SECTION 4.** Section 288 of the NIRC of 1997, as amended is
30 hereby further amended to read as follows:

31
32 “Sec. 288. Disposition of Incremental AND
33 OTHER [Revenue] REVENUES. –

34 (A) xxx

35 (B) xxx

36 (C) xxx

37 (D) xxx

38 (E) xxx

39 (F) xxx

40 (G) REVENUES FROM THE EXCISE TAX ON
41 SINGLE-USE PLASTIC BAGS.

1
2 FIFTY PERCENT (50%) OF THE REVENUES
3 FROM THE EXCISE TAX ON SINGLE-USE PLASTIC
4 BAGS SHALL BE ALLOCATED TO THE SOLID
5 WASTE MANAGEMENT FUND PROVIDED UNDER
6 SECTION 46 OF REPUBLIC ACT NO. 9003 OR THE
7 ECOLOGICAL SOLID WASTE MANAGEMENT ACT
8 OF 2000. THE REMAINING REVENUES SHALL
9 ACCRUE TO THE GENERAL FUND.”

10
11 **SECTION 5. *Implementing Rules and Regulation.*** – The
12 Secretary of the Department of Finance, upon the recommendation of the
13 Commissioners of the Bureau of Internal Revenue and the Bureau of
14 Customs, shall, within sixty (60) days from the effectivity of this Act,
15 promulgate rules and regulations to faithfully implement the intent and
16 provisions of this Act.

17
18 **SECTION 6. *Separability Clause.*** – If any provision of this Act is
19 declared invalid or unconstitutional, the other provisions not affected
20 thereby shall remain valid and subsisting.

21
22 **SECTION 7. *Repealing Clause.*** – All acts, executive orders,
23 memorandum circulars/guidelines, and other issuances or parts thereof,
24 which are inconsistent with this Act, are hereby repealed or modified
25 accordingly.

26
27 **SECTION 8. *Effectivity.*** – This Act shall take effect fifteen (15)
28 days after its publication in the Official Gazette or in two (2) newspapers
29 of general circulation.

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34 **APPROVED.**