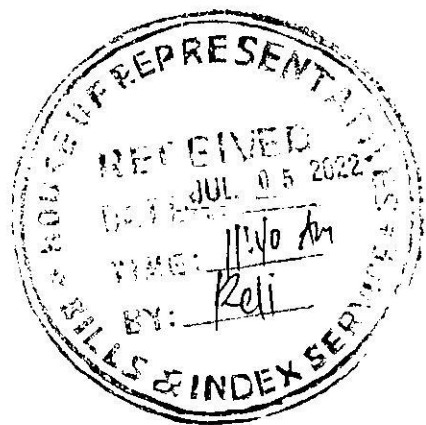




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Nineteenth Congress
First Regular Session

HOUSE BILL NO. 1176

Introduced by Honorable Bryan B. Revilla

AN ACT
TO RECONSTRUCT AND REHABILITATE THE EXISTING 479-
KILOMETER PHILIPPINE NATIONAL RAILWAYS LINE FROM SAN
FERNANDO, LA UNION TO LEGAZPI CITY, ALBAY, PROVIDING
FUNDS FROM THE ANNUAL VALUE ADDED TAX COLLECTION,
AMENDING FOR THE PURPOSE THE NATIONAL INTERNAL
REVENUE CODE OF 1997, AS AMENDED

EXPLANATORY NOTE

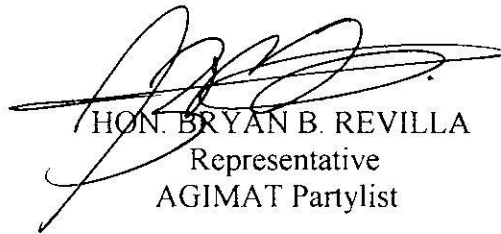
An efficient railway system is one of the most cost-effective modes of commuting and transporting goods. The Philippines presently have only a few unconnected railway systems. There is the rapid transit systems of the Manila Light Railway Transit (LRT) and the Metro Manila Rail Transit (MRT) which both serve passengers in Metro Manila. Then there is the Philippine National Railways (PNR) which operate a Metro and Bicol Commuter Line. This representation sees great potential for our railways system, especially for the Philippine National Railways, in aiding rural development and tangibly improving the lives and outcomes of Filipinos.

Every day, thousands of Filipinos rely on the Philippine National Railways to take them to their work and schools. Yet, passengers are met by trains that are late, cramped, warm, and do not represent what ought to be a symbol of national industrial development. Today, the Philippine National Railways still fail to fully service its coverage areas and still fail to connect the North of Luzon, NCR, and the Bicol region. Despite decades of efforts, the Philippine National Railways has failed to place itself at the forefront of national industrial development.

This measure seeks to allocate five percent (5%) of annual value-added tax (VAT) collection to the construction and rehabilitation of the existing 479-kilometer stretch of the Philippine National Railways (PNR) lines from San Fernando, La Union to Legazpi City, Albay.

This interconnection of the whole of Luzon through a railway system will usher in development not only in the NCR urban areas but more so of the countryside. This will also provide employment opportunities to our fellow Filipinos.

In view of the foregoing reasons, the approval of this bill is earnestly sought.



HON. BRYAN B. REVILLA
Representative
AGIMAT Partylist



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Nineteenth Congress
First Regular Session

HOUSE BILL NO. **1176**

Introduced by Honorable Bryan B. Revilla

AN ACT
TO RECONSTRUCT AND REHABILITATE THE EXISTING 479-KILOMETER
PHILIPPINE NATIONAL RAILWAYS LINE FROM SAN FERNANDO, LA
UNION TO LEGAZPI CITY, ALBAY, PROVIDING FUNDS FROM THE
ANNUAL VALUE ADDED TAX COLLECTION, AMENDING FOR THE
PURPOSE THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS
AMENDED

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

SECTION 1. A new section, to be numbered two hundred eighty-seven (287), shall be added to Chapter II, Title XI of the National Internal Revenue Code, as amended to read as follows:

“SEC. 287. DISPOSITION OF PROCEEDS OF VALUE ADDED TAX – A.)
TWO AND A HALF PERCENT (2.5%) OF THE VALUE ADDED TAX
COLLECTED UNDER TITLE IV OF THIS ACT, AS AMENDED, SHALL
BE ALLOCATED TO RECONSTRUCT AND REHABILITATE THE
EXISTING 479-KILOMETER PHILIPPINE NATIONAL RAILWAYS
LINE FROM SAN FERNANDO, LA UNION TO LEGAZPI CITY,
ALBAY;
B.) TWO AND A HALF PERCENT (2.5%) OF THE VALUE ADDED TAX
COLLECTED UNDER TITLE IV OF THIS ACT AS AMENDED SHALL
BE ALLOCATED FOR THE ACQUISITION OF ROAD RIGHT OF WAY

NEEDED TO IMPLEMENT THE PROJECT MENTIONED IN THE PRECEDING PARAGRAPH.

THE ALLOCATION SHALL BE ADMINISTERED BY THE DEPARTMENT OF TRANSPORTATION (DOTr), THROUGH ITS ATTACHED AGENCY PHILIPPINE NATIONAL RAILWAYS (PNR)."

SEC. 2. The succeeding Section of the National Internal Revenue Code as amended are hereby numbered accordingly.

SEC. 3. **Implementing Rules and Regulations.** – The Department of Budget and Management, in coordination with the Department of Finance, Bureau of Internal Revenue, DOTr and PNR shall, within thirty (30) days from the effectivity of this Act, promulgate the rules and regulations to effectively implement the provision of this Act.

SEC. 4. **Repealing Clause.** – Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

SEC. 5. **Effectivity.** – This Act shall take effect after fifteen (15) days following its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,