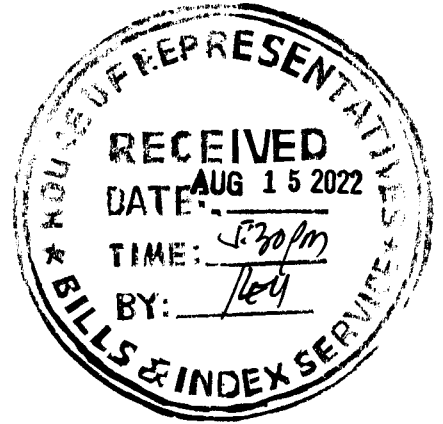


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 3635



Introduced by the Honorable ANIELA BIANCA D. TOLENTINO

EXPLANATORY NOTE

The effort for using renewable energy to protect the environment has trickled down to individual or small-scale levels, its no longer just in the industrial or large-scale levels. Homes already install solar panels and even small businesses strive to have a cleaner source of electricity. People resort to off-the-grid solar energy as electricity source to help in making our environment cleaner and safer. To further advocate for lessening humanity's carbon footprint, this representation believes that there is a need to incentivize use of solar energy by small business owners.

The proposed measure herein seeks to grant discounts for small businesses which use solar energy in their operations. Local government units shall give a fifty percent (50%) discount on business permits and other local business taxes for small businesses that will use solar energy as its electricity source in operating their businesses. The proposed law granting a discount from local government fees and taxes will be a great help in encouraging small business owners to use solar energy in their operations because it can offset the capital expenditures for the installation solar panels.

It should be highlighted that the Constitution declares it a policy that the "*State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature*" (Section 16, Article II, 1987 Constitution). The proposed law herein is well-within the advancement of said Constitutional mandate, as it promotes the use of solar energy, the cleaner and more environment-friendly electricity source.

Granting discounts for use of solar energy by mom-and-pop shops will definitely help in increasing the number of people who take effort in using renewable energy and it will also definitely help in decreasing humanity's carbon footprint.

For the Filipino people, the passage of the measure herein is earnestly being prayed.

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NINETEENTH CONGRESS

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HOUSE BILL NO. 3635

Introduced by the Honorable ANIELA BIANCA D. TOLENTINO

**AN ACT PROMOTING GRANTING A FIFTY PERCENT (50%)
DISCOUNT FROM LOCAL GOVERNMENT BUSINESS FEES AND TAXES
TO SMALL BUSINESSES WHICH USE SOLAR ENERGY
FOR ELECTRICITY IN ITS DAILY OPERATIONS AND PROVIDING PENALTIES
FOR THE VIOLATION THEREOF**

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

Section 1. *Short Title.* – This Act shall be known as the “Solar Energy for Small Businesses Act.”

Section 2. *Declaration of Policy.* – It is the policy of the State to promote the use of more environmental-friendly sources of electricity like solar energy. The State shall protect the transcendent right of future Filipinos to live in a clean and safe environment.

Section 3. *Definition of Terms.* – As used in this Act, the following terms shall mean:

- a. Local Government Business Fees and Taxes – shall refer to all business fees, and taxes, and other amounts that are levied, assessed and collected by local governments from small businesses that operate within its jurisdiction.
- b. Small Businesses – shall refer to Micro and Small Enterprises as defined by the Republic Act No. 9501.
- c. Solar Energy – shall refer to the off-the-grid electricity, derived from the installation of solar energy equipment, used by small businesses in its daily operations.

Section 4. *Discount for Use of Solar Energy by Small Businesses.* – All local government units shall give a fifty percent (50%) from all local government business fees and taxes to qualified small businesses, which use solar energy in its daily operations.

Section 5. *Continuous Discount and Inspection.* – The discount for use of solar energy by small businesses can be availed by its owners as long as their businesses use solar energy in its daily operations. Local government units shall conduct quarterly inspections in small businesses that avail the discount granted in this Act.

Section 6. *Solar Energy Equipment.* The solar energy equipment used by small businesses to avail the discount granted in this Act must be compliant to the standards of quality and safety set by the appropriate government authorities.

Section 7. *Violation and Penalties for Private Individuals.* – Any person who deceits the local government and avails the discount granted in this Act without really having the required equipment for solar energy shall be imprisoned for a period of two (2) years and pay the fine of Two Hundred Thousand Pesos (P200,000.00). The owner of small businesses who violate this provision cannot avail of the discount granted in this Act for a period of five (5) years.

Section 8. *Violation and Penalties for Government Officials.* Any local government official who knowingly grants the discount in this Act to unqualified small businesses shall be imprisoned for a period of not less than five (5) years, pay the fine of Five Hundred Thousand Pesos (P500,000.00), and be perpetually disqualified from holding public office.

Section 9. *Implementing Rules and Regulations.* Within sixty (60) days after the effectivity of this Act, the Department of Interior and Local Government, Department of Energy, Department of Environment and Natural Resources, Department of Trade and Industry, and the Department of Science and Technology shall come up with the implementing rules and regulations of this Act.

Section 10. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, and rule and regulation contrary to or inconsistent with this Act is hereby repealed, modified, or amended accordingly.

Section 11. *Effectivity Clause.* – This Act shall take effect fifteen (15) days from its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,