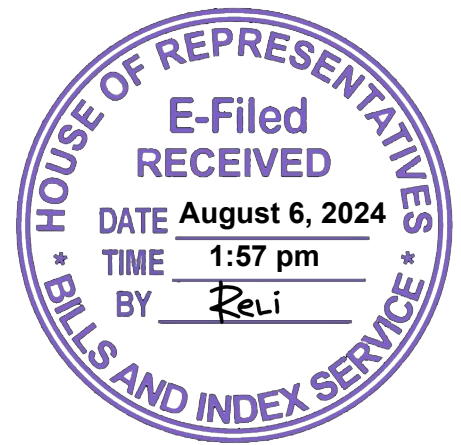




Republic of the Philippines
HOUSE OF REPRESENTATIVES

Quezon City
NINETEENTH CONGRESS
Third Regular Session



House Bill No. 10725

Introduced by CIBAC Party-List Representative
EDUARDO “BRO. EDDIE” C. VILLANUEVA

EXPLANATORY NOTE

Gambling, by its nature, is inherently opposed to God’s will and principles because its underpinning spirit or motivation is love of money. Regardless of whether it caters to Filipinos or foreigners, gambling it will never get the blessing of God and is doomed to be shrouded with complications and curses. The Bible in 1 Timothy 6:9-10 clearly states: *“⁹But those who desire to be rich fall into temptation and a snare, and into many foolish and harmful lusts which drown men in destruction and perdition. ¹⁰For the love of money is a root of all kinds of evil, for which some have strayed from the faith in their greediness, and pierced themselves through with many sorrows.”*

Further, it can be argued that even the spirit of our 1987 Constitution is against gambling because its Preamble says: *“We, the sovereign Filipino people, imploring the aid of Almighty God...”* To implore means to *earnestly or desperately seek* the aid of God Almighty. Therefore, we are not acting in the manner contemplated by the Constitution if we will adopt and implement a policy that is in clear defiance of God’s will.

Though Section 1 or the Declaration of Policy of Republic Act 11590 otherwise known as “An Act Taxing Philippine Offshore Gaming Operations, Amending for the Purpose Sections 23 22, 25, 27, 28, 106, 108, and Adding New Sections 125-A and 288(G) of the National 24 25 26 Internal Revenue Code of 1997, as Amended, and For Other

Purposes" states that the passage of such law shall not be construed as a favorable endorsement of gambling activities by Philippine Offshore Gaming Operators (POGOs), the enactment of RA 11590 legitimizes the POGO industry mainly because of the promise of revenue generation for the government.

However, 3 years after its enactment, the gloomy fruits we reap from allowing POGOs to operate far outweigh its promises. These include the following, to name a few:

- **Low revenue collection.** According to the Bureau of Internal Revenue (BIR), only P10.321 billion was collected from POGOs in 2023, which is only less than half of the P24-billion revenue projection by the Philippine Amusement and Gaming Corporation (PAGCOR).¹
- **Economic costs outweigh benefits.** According to the Department of Finance (DOF), the estimated total economic benefits of POGOs amount to P166.49 billion annually while the estimated total economic costs amount to P265.74 billion – giving as a net loss of P99 billion.² This does not even account for the loss of life and other injuries caused by POGOs.³
- **Surge of POGO-related crimes.** According to the Presidential Anti Organized Crime Commission (PAOCC), the country logged 60 to 63 killings related to POGOs in 2023. In addition, there were also cases of kidnappings, prostitution and drugs linked to POGOs.⁴

In his State of the Nation Address (SONA) last July 22, 2024, President Bongbong Marcos issued an executive policy direction by categorically saying that *“effective today, all POGOs are banned!”*

¹ July 12, 2024. Pagcor to comply if Palace bans POGOs. The Manila Times. Available at <https://www.manilatimes.net/2024/07/12/news/national/pagcor-to-comply-if-palace-bans-pogos/1956741>. (Accessed on August 1, 2024.)

² The economic benefits include tax revenues, gaming revenues, private consumption spending, real estate and other consumptions while economic costs include lost investment opportunities, additional costs of law enforcement and the impact to tourism.

³ July 16, 2024. Philippines losing P99.52 billion yearly due to POGOs — DOF. The Philippine Star. Available at <https://www.philstar.com/headlines/2024/07/16/2370630/philippines-losing-p9952-billion-yearly-due-pogos-dof#:~:text=MANILA%2C%20Philippines%20%E2%80%94%20The%20Department%20of,52%20billion%20a%20year>. (Accessed on August 1, 2024).

⁴ May 7, 2024. PAOCC links Pogos to various crimes. Inquirer. Available at <https://newsinfo.inquirer.net/1938002/fwd-senate-probe-bares-alleged-pogo-link-to-killings-possible-hacking-and-surveillance-of-govt-websites>. (Accessed on August 1, 2024).

However, the threat of reverting back to a policy of allowing POGOs to operate is always a possibility, especially when RA 11590 is still not nullified. Thus, the filing of this bill.

This bill, known as the "Anti-POGO Act," implements the State's commitment to safeguarding the dignity and human rights of every individual by banning POGOs due to their adverse impact on Filipino lives, properties, and the national economy. To achieve this, all licenses granted by PAGCOR and other agencies to POGOs and related entities are permanently revoked, ensuring the end of POGOs in the country.

In view of the foregoing, we earnestly seek the support of our esteemed colleagues for the swift passage of this bill.


BRO. EDDIE C. VILLANUEVA
Representative, CIBAC Party-List



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HOUSE OF REPRESENTATIVES

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HOUSE BILL NO. 10725

Introduced by CIBAC Party-List Representative
EDUARDO “BRO. EDDIE” C. VILLANUEVA

AN ACT
BANNING PHILIPPINE OFFSHORE GAMING OPERATORS (POGO)
AND OTHER OPERATIONS RELATED THERETO AND FOR OTHER
PURPOSES

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

1 **SECTION 1. Short Title.** – This Act shall be known as the "Anti-
2 POGO Act."
3

4 **SEC. 2. Declaration of Policy.** – Article II, Section 5 of the 1987
5 Constitution states that the maintenance of peace and order, the
6 protection of life, liberty, and property, and the promotion of the general
7 welfare are of paramount importance. It is also declared the policy of the
8 State to value the dignity of every human person and to guarantee full
9 respect for human rights. Towards this end, the State shall strictly ban the
10 operations of all Philippine Offshore Gaming Operators (POGOs),
11 because their operations have continuously endangered the lives and
12 properties of Filipinos, as well as the economy of the country.
13

14 **SEC. 3. Revocation of all POGO and Other Related Licenses.** –
15 All POGO and other related licenses issued by the Philippine Amusement
16 and Gaming Corporation (PAGCOR) and other investment promotion
17 agencies with the power to issue such licenses are hereby revoked and
18 cancelled permanently.

1 From and after the effectivity of this Act, no POGOs shall be allowed
2 to operate in any part of the country.

3 **SEC. 4. Closure of Operations.** – All POGOs shall be given thirty
4 (30) days from the effectivity of this Act to cease their operations. In case
5 of failure or refusal to comply with this Section, the penalty of
6 imprisonment of twelve (12) years and one day to twenty (20) years or a
7 fine of One hundred million pesos (Php 100,000,000.00) or both shall be
8 imposed upon such POGO and/or upon its beneficial owner/s, directors,
9 officers, stockholders, members, or employees, as the case may be.

10
11 If the offender is a foreigner, he or she shall be deported and barred
12 from any subsequent entry into the Philippines after serving his or her
13 sentence.

14
15 Nothing herein shall operate to relieve POGOs and other related
16 entities from the payment of all taxes and other fees due the government.

17
18 **SEC. 5. Collection of Unpaid Taxes.** – Notwithstanding the
19 closure of POGOs as provided under this Act, POGOs shall continue to
20 be liable for all taxes due and payable to the government arising from or
21 in connection to their operations as such, including, but not limited to,
22 income tax, business tax, value added tax, percentage tax, gaming tax,
23 and withholding tax.

24
25 Thereafter, Republic Act No. 11590, otherwise known as "An Act
26 Taxing Philippine Offshore Gaming Operations, Amending for the
27 Purpose Sections 23 22, 25, 27, 28, 106, 108, and Adding New Sections
28 125-A and 288(G) of the National 24 25 26 Internal Revenue Code of
29 1997, as Amended, and For Other Purposes," shall be deemed repealed
30 by operation of law.

31
32 **SEC. 6. Repealing Clause.** – Any law, issuance, rule or regulation
33 inconsistent with this Act is repealed accordingly, including the relevant
34 provision of laws governing investment promotion agencies that grant the
35 power to issue licenses to POGOs.

36
37 **SEC. 7. Workers' Transition Program.** – The Department of Labor
38 and Employment (DOLE) shall formulate and implement plans and
39 programs for the transition of all affected Filipino workers, such as, but not
40 limited to, skilling, upskilling, and reskilling programs, employment
41 facilitation, and other similar interventions.

42

1 In the implementation of this program, DOLE shall coordinate with
2 the Technical Education and Skills Development Authority (TESDA),
3 Department of Information and Communications Technology (DICT), and
4 other relevant government agencies for the training and transition of the
5 affected workers to quality jobs.
6

7 **SEC. 8. Report to Congress.** – The PAGCOR, Bureau of
8 Immigration (BI), Department of Labor and Employment (DOLE) and
9 investment promotion agencies shall submit a Report to the President of
10 the Philippines and to Congress on the cancellation of all licenses issued
11 to POGOs, the status of the winding down and cessation of operations of
12 POGOs, and other relevant information not later than one (1) year after
13 the effectivity of this Act.
14

15 **SEC. 9. Effectivity.** – This Act shall take effect fifteen (15) days after
16 its publication in the Official Gazette or in a newspaper of general
17 circulation.
18

19 *Approved,*