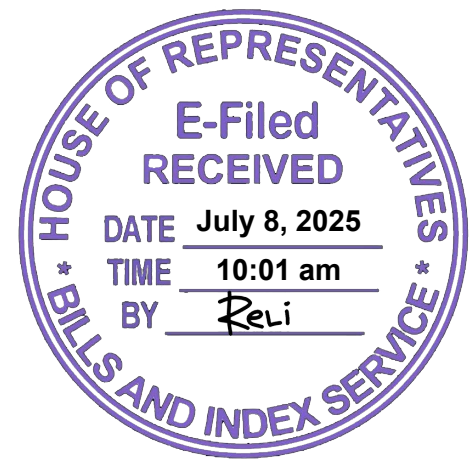


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 1556



Introduced by **HON. MIGUEL LUIS R. VILLAFUERTE, HON. VINCENZO RENATO LUIGI R. VILLAFUERTE, HON. TSUYOSHI ANTHONY G. HORIBATA, AND HON. TERRY L. RIDON**

EXPLANATORY NOTE

Article II, Section 16 of the 1987 Constitution states it the policy of the State to “protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.” This bill supports that mandate by using the State’s taxing power to discourage the excessive use of single-use plastic bags and help address the growing issue of plastic pollution.

Single-use plastic bags, such as “ice,” “labo,” and “sando” bags, are widely used in the Philippines, with the country being tagged as the “the World’s Biggest Ocean Plastic Polluter” in 2019.¹ According to the World Bank, 2.3 million tons of plastic waste are generated in the country annually. Shockingly, only 28% of key resins are recycled while the rest ends up being discarded as microplastics.

Despite laws like Republic Act No. 9003 or the “Ecological Solid Waste Management Act of 2000,” plastic waste remains a major environmental challenge, especially in municipalities with inadequate waste collection services, limited waste disposal facilities, and insufficient recycling capacity. These waste materials that take hundreds of years to degrade clog waterways and pollute our oceans and lands. Moreover, studies have found that these discarded plastics lead to numerous serious health issues because they carry toxic chemicals that are easily ingested by humans. These substances significantly damage cells in the human body. The Center for International Environmental Law cites health risks such as the impairment of the nervous system, reproductive and developmental problems, cancer, leukemia, among others.² We must acknowledge that the issue of plastic goes beyond environmental justice but also human health.

This bill aims to reduce the use of single-use plastic, promote more sustainable alternatives, protect the health of communities, and support environmental protection efforts at the local level by proposing an excise tax of one hundred pesos (Php100.00) per kilogram of single-use plastic bags removed from production or released from the custody of the Bureau of Customs. The tax rate will increase annually by four percent (4%). Revenues from this tax will go directly to programs of the Department of Environment and Natural Resources (DENR) for the implementation of RA No. 9003 in municipalities.

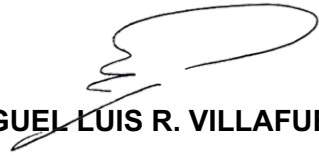
This proposed measure was approved on third and final reading by the House of

¹ Ramos, Denise (2023, June 12). *How did the Philippines become the world's biggest ocean plastic polluter?* Earth.org. <https://earth.org/philippines-plastic/>

² Center for International Environmental Law (n.d.). *Plastic and human health: a lifecycle approach to plastic pollution*. <https://www.ciel.org/project-update/plastic-and-human-health-a-lifecycle-approach-to-plastic-pollution/>

Representatives in the 19th Congress, signifying legislative support and importance.

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

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HON. MIGUEL LUIS R. VILLAFUERTE

A handwritten signature in black ink, consisting of a large, horizontal oval shape with a vertical stroke intersecting it near the center.

HON. VINCENZO RENATO LUIGI R. VILLAFUERTE

A handwritten signature in black ink, featuring a large, stylized 'H' and 'L' that are interconnected, with a horizontal line extending to the right.

HON. TSUYOSHI ANTHONY G. HORIBATA

A handwritten signature in blue ink, featuring a large, stylized 'T' and 'R' that are interconnected, with a horizontal line extending to the right.

HON. TERRY L. RIDON

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. ____

Introduced by HON. MIGUEL LUIS R. VILLAFUERTE, HON. VINCENZO
RENATO LUIGI R. VILLAFUERTE, HON. TSUYOSHI ANTHONY G. HORIBATA, AND
HON. TERRY L. RIDON

**AN ACT IMPOSING EXCISE TAX ON SINGLE-USE PLASTIC BAGS, AMENDING FOR
THE PURPOSE SECTION 288 AND ADDING A NEW SECTION 150-C IN 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. *Short Title.* – This Act shall be known as the “Single-Use Plastic Bags Tax
Act.”

SECTION. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to protect
and advance the right of the people to a balanced and healthful ecology in accord with the
rhythm and harmony of nature through the proper exercise of its power of taxation.

SECTION. 3. A new section designated as Section 150-C of the National Internal Revenue
Code of 1997, as amended, is hereby added to read as follows:

“SEC. 150-C. SINGLE-USE PLASTIC BAGS. –

**(A) RATE AND BASE OF TAX. – THERE SHALL BE LEVIED, ASSESSED,
AND COLLECTED AN EXCISE TAX IN THE AMOUNT OF ONE HUNDRED PESOS
(PHP100.00) FOR EVERY KILOGRAM OF SINGLE-USE PLASTIC BAG REMOVED
FROM THE PLACE OF PRODUCTION OR RELEASED FROM THE CUSTODY OF
THE BUREAU OF CUSTOMS.**

**THE RATE OF TAX IMPOSED UNDER THIS SUBSECTION SHALL BE
INCREASED BY FOUR PERCENT (4%) EVERY YEAR, EFFECTIVE ON JANUARY
1, 2026 THROUGH REVENUE REGULATIONS ISSUED BY THE SECRETARY OF
FINANCE.**

**SINGLE-USE PLASTIC BAGS SHALL REFER TO SECONDARY LEVEL
PLASTICS MADE OF SYNTHETIC OR SEMISYNTHETIC ORGANIC POLYMER,
SUCH AS “ICE”, “LABO” OR “SANDO” BAGS, WITH OR WITHOUT HANDLE,
USED AS PACKAGING FOR GOODS OR PRODUCTS.**

**(B) FILING OF RETURN AND PAYMENT OF EXCISE TAX ON SINGLE-USE
PLASTIC BAGS. – THE PROVISIONS OF SECTIONS AND OF THE NATIONAL
INTERNAL REVENUE CODE OF 1997, AS AMENDED, ON THE FILING OF
RETURN AND PAYMENT OF EXCISE TAX SHALL APPLY.**

(C) NON-PAYMENT OF EXCISE TAX. – NON-PAYMENT OF THE EXCISE TAX IMPOSED UNDER THIS ACT SHALL BE SUBJECT TO THE PERTINENT PROVISIONS UNDER TITLES VIII AND X OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, REGARDING COLLECTION OF UNPAID TAXES AND IMPOSITION OF CORRESPONDING FINES, SURCHARGES, PENALTIES, AND IMPRISONMENT OR CLOSURE OF BUSINESS.”

SECTION. 4. Section 288 of the National Internal Revenue Code of 1997, as amended, is hereby further amended to read as follows:

“SEC. 288. *Disposition of Incremental **AND OTHER** Revenues.* –

(A) xxx

(B) xxx

(C) xxx

(D) xxx

(E) xxx

(F) xxx

(G) xxx

(H) DISPOSITION OF INCREMENTAL REVENUES FROM THE EXCISE TAX ON SINGLE-USE PLASTIC BAGS. –

THE INCREMENTAL REVENUES FROM THE IMPOSITION OF THE EXCISE TAX ON SINGLE-USE PLASTIC BAGS SHALL BE ALLOCATED TO PROGRAMS OF THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES FOR THE IMPLEMENTATION OF REPUBLIC ACT NO. 9003, OTHERWISE KNOWN AS THE ‘ECOLOGICAL SOLID WASTE MANAGEMENT ACT OF 2000’ IN MUNICIPALITIES.”

SECTION 5. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the Secretary of Finance shall, upon the recommendation of the Commissioners of the Bureau of Internal Revenue and the Bureau of Customs and, in consultation with the Department of Environment and Natural Resources, issue and promulgate rules and regulations for the effective implementation of this Act.

SECTION 6. *Separability Clause.* – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SECTION 7. *Repealing Clause.* – All laws, decrees, executive orders, rules, and regulations or parts thereof which are contrary to or inconsistent with any provision of this Act are hereby repealed, modified, or amended accordingly.

SECTION 8. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication either in the *Official Gazette* or in at least one (1) newspaper of general circulation.

Approved,