

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 2218



Introduced by **Representative Ryan S. Recto**

EXPLANATORY NOTE

This legislative measure seeks to impose an excise tax on single-use plastic bags. The proposed excise tax aims to internalize the significant negative externalities associated with single-use plastics, shifting the substantial financial, physical and environmental costs from society to producers and consumers.

The widespread use of single-use plastic bags pose significant environmental burdens. Financially, taxpayers face substantial waste management expenses for costly collection, transportation, disposal and environmental clean-up efforts. These bags pollute waterways, contribute to flooding and harm marine life, directly impacting vital ecosystems and the livelihoods that depend on them. Furthermore, the pervasive litter and environmental degradation from plastic waste also diminish the recreational and aesthetic value of natural spaces which can potentially evoke distress among the public. Eventually, these plastics slowly degrade into microplastics which enter our food chain and pose significant health risks to both humans and animals.

A 2025 scientific study entitled *"From sea to cell: Investigating the potential health impacts of marine plastic pollution in the Philippines"* reported that the Philippines heavily contributes to the global crisis on plastic pollution. The country most notably ranks first in global riverine plastic emissions. Factors that drive this pollution include illegal dumping by other nations, the widespread use of affordable single-use plastics and the extensive leakage from open landfills. This landfill leakage alone accounts for 74 percent (%) of collected oceanic waste.¹ This immense plastic volume manifests in staggering daily consumption figures. A 2021 World Bank Group study reveals the Philippines consumes about 163 million single-use plastic pieces daily which are primarily multi-layer sachets. These continuously degrade marine biodiversity.²

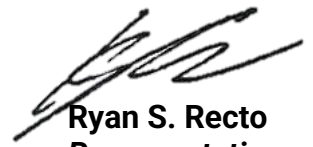
¹https://www.sciencedirect.com/science/article/abs/pii/S0025326X25007635?casa_token=cMJH6FRrouwAAA:0F18xCsB6zkCQdHS7x7SSIF5IE4WHLqfpxiBsfSbxWQaDYzpf4eijHJMBTksdTnV8AW1GfvdYw#bb0115

²<https://www.worldbank.org/en/country/philippines/publication/market-study-for-philippines-plastics-circularity-opportunities-and-barriers-report-landing-page>

Thus, the profound costs of single-use plastics warrant corrective taxation. Currently, society as a whole bears the significant costs of plastic pollution rather than its producers and consumers.

With that being said, it is therefore vital that we impose an excise tax on single-use plastic bags in order curb its consumption and mitigate its adverse environmental impact.

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



Ryan S. Recto
Representative
6th District, Batangas

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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 the 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.*”

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

5
6 SEC. 3. A new section designated as Section 150-C of the National Internal
7 Revenue Code of 1997, as amended, is hereby added to read as follows:

8
9 **“SEC. 150-C. SINGLE-USE PLASTIC BAGS. –**

10
11 **(A) RATE AND BASE OF TAX. – THERE SHALL BE LEVIED,**
12 **ASSESSED, AND COLLECTED AN EXCISE TAX IN THE AMOUNT**
13 **OF ONE HUNDRED PESOS (PHP100.00) FOR EVERY KILOGRAM**
14 **OF SINGLE-USE PLASTIC BAG REMOVED FROM THE PLACE OF**
15 **PRODUCTION OR RELEASED FROM THE CUSTODY OF THE**
16 **BUREAU OF CUSTOMS.**

17
18 **THE RATE OF TAX IMPOSED UNDER THIS SUBSECTION SHALL**
19 **BE INCREASED BY FOUR PERCENT (4%) EVERY YEAR,**
20 **EFFECTIVE ON JANUARY 1, 2026 THROUGH REVENUE**
21 **REGULATIONS ISSUED BY THE SECRETARY OF FINANCE.**
22

1 SINGLE-USE PLASTIC BAGS SHALL REFER TO SECONDARY
2 LEVEL PLASTICS MADE OF SYNTHETIC OR SEMISYNTHETIC
3 ORGANIC POLYMER, SUCH AS "ICE", "LABO" OR "SANDO"
4 BAGS, WITH OR WITHOUT HANDLE, USED AS PACKAGING FOR
5 GOODS OR PRODUCTS.
6

7 (B) FILING OF RETURN AND PAYMENT OF EXCISE TAX ON SINGLE-
8 USE PLASTIC BAGS. – THE PROVISIONS OF SECTIONS 130
9 AND 131 OF THE NATIONAL INTERNAL REVENUE CODE OF
10 1997, AS AMENDED, ON THE FILING OF RETURN AND
11 PAYMENT OF EXCISE TAX SHALL APPLY.
12

13 (C) NON-PAYMENT OF EXCISE TAX. – NON-PAYMENT OF THE
14 EXCISE TAX IMPOSED UNDER THIS ACT SHALL BE SUBJECT
15 TO THE PERTINENT PROVISIONS UNDER TITLES VIII AND X OF
16 THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS
17 AMENDED, REGARDING COLLECTION OF UNPAID TAXES AND
18 IMPOSITION OF CORRESPONDING FINES, SURCHARGES,
19 PENALTIES, AND IMPRISONMENT OR CLOSURE OF BUSINESS."
20

21 SEC. 4. Section 288 of the National Internal Revenue Code of 1997, as
22 amended, is hereby further amended to read as follows:
23

24 "SEC. 288. *Disposition of Incremental **AND OTHER** Revenues.* –
25

26 (A) xxx
27

28 (B) xxx
29

30 (C) xxx
31

32 (D) xxx
33

34 (E) xxx
35

36 (F) xxx
37

38 (G) xxx
39

40 (H) DISPOSITION OF INCREMENTAL REVENUES FROM THE EXCISE
41 TAX ON SINGLE-USE PLASTIC BAGS. – THE INCREMENTAL
42 REVENUES FROM THE IMPOSITION OF THE EXCISE TAX ON
43 SINGLE-USE PLASTIC BAGS SHALL BE ALLOCATED TO
44 PROGRAMS OF THE DEPARTMENT OF ENVIRONMENT AND
45 NATURAL RESOURCES FOR THE IMPLEMENTATION OF
46 REPUBLIC ACT NO. 9003, OTHERWISE KNOWN AS THE
47 'ECOLOGICAL SOLID WASTE MANAGEMENT ACT OF 2000' IN
48 MUNICIPALITIES."
49

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

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

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

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

15
16 *Approved,*