

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 4548



Introduced by: **REP. SALVADOR A. PLEYTO, SR.**

EXPLANATORY NOTE

The price of fuel is influenced by a combination of global market factors (e.g., crude oil prices, geopolitical events, supply, and demand) and domestic taxation. Excise tax is a significant component of the final retail price of fuel. When global oil prices surge, the cumulative effect of these factors can lead to a substantial increase in fuel costs, negatively impacting various segments of society.

This bill is proposed in response to a period of sustained high fuel prices. The rationale behind the suspension of the excise tax is to provide relief for consumers. The high cost of fuel directly affects household budgets, particularly for those who rely on private vehicles for commuting or personal errands. Suspending the tax would provide immediate relief by lowering the price at the pump. It will also support industries such as transportation, agriculture, manufacturing, and logistics that are heavily dependent on diesel and gasoline. High fuel costs increase operational expenses, which can lead to higher prices for goods and services (inflation), reduced profitability, and potential business closures. This measure aims to stabilize these industries and prevent a domino effect on the broader economy.

The bill would define a specific timeframe during which the excise tax would be suspended. This could be a fixed period or tied to a specific economic indicator, or until the price of crude oil falls below a certain threshold. The suspension would be limited to specific fuel types, namely diesel fuel and regular gasoline. The bill would clearly define these fuels to avoid ambiguity.

Suspending the excise tax on diesel and regular gasoline is a targeted legislative response to address the economic fallout of high fuel prices. It is a temporary measure designed to provide immediate financial relief to consumers and key industries, stabilize the economy, and mitigate inflationary pressures.

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



SALVADOR A. PLEYTO, SR.

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Introduced by: **REP. SALVADOR A. PLEYTO, SR.**

AN ACT SUSPENDING THE IMPOSITION OF EXCISE TAX ON REGULAR GASOLINE AND DIESEL FUEL UNDER REPUBLIC ACT NO. 10963, OTHERWISE KNOWN AS THE "TAX REFORM FOR ACCELERATION AND INCLUSION (TRAIN) LAW," AND FOR OTHER PURPOSES

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 "Fuel Excise Tax Suspension Act of 2025."

SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to provide immediate and temporary relief to the Filipino people from the adverse economic impact of soaring fuel prices by suspending the imposition of excise tax on regular gasoline and diesel fuel. This measure aims to stabilize prices of basic goods and services, support the livelihood of affected sectors, and ensure the continuity of economic activities.

SEC. 3. *Suspension of Excise Tax.* - Notwithstanding any provision of Republic Act No. 10963, otherwise known as the "Tax Reform for Acceleration and Inclusion (TRAIN) Law," or any other law to the contrary, the imposition and collection of excise tax on regular gasoline and diesel fuel are hereby suspended for a period of six (6) months from the promulgation of the Implementing Rules and Regulations of this Act. The Department of Finance (DOF) and the Bureau of Internal Revenue (BIR) are hereby directed to immediately cease the collection of said excise taxes upon the effectivity of this Act.

SEC. 4. *Implementing Rules and Regulations (IRR).* - The Secretary of Finance, in coordination with the Commissioner of Internal Revenue and other relevant government agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act within fifteen (15) days from its effectivity.

SEC. 5. *Separability Clause.* - If any provision or part of this Act is declared unconstitutional or invalid, the remaining parts or provisions not affected thereby shall remain in full force and effect.

SEC. 6. *Repealing Clause.* - All laws, decrees, orders, rules, and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 7. *Effectivity.* - This Act shall take effect immediately upon its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,