



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila



Twentieth Congress
First Regular Session

HOUSE BILL NO. 5072

Introduced by HON. MIRO S. QUIMBO

EXPLANATORY NOTE

The Philippines is one of the world's largest sources of plastic waste, generating an estimated 2.7 million tons annually, including 163 million sachets used every day. Studies show that seven out of ten of the world's most plastic-polluted rivers are located in the Philippines, directly contributing to marine debris and worsening flooding in urban areas. Single-use plastics (SUPs) such as plastic bags, straws, sachets, and packaging are designed for one-time use and immediate disposal, making them a major driver of plastic pollution.

The proliferation of these SUPs has led to severe environmental, social, and economic costs. Poorly managed plastic waste clogs waterways, worsens flooding, and degrades ecosystems. Vulnerable communities are disproportionately affected, as floods damage homes and livelihoods in low-lying and informal settlements. Beyond flooding, plastics break down into microplastics, contaminating water sources, fisheries, and even the food chain, posing long-term risks to public health.

Despite the passage of Republic Act No. 9003 or the Ecological Solid Waste Management Act of 2000, local governments continue to face significant challenges in financing and implementing waste reduction and management programs. Without stronger regulatory and fiscal measures, the unchecked

consumption of single-use plastic bags will continue to strain the environment, public health, and the government's capacity to respond to waste management challenges.

To address these challenges, this bill proposes the imposition of an excise tax of One Hundred Pesos (₱100.00) for every kilogram of single-use plastic bag, with a 4% annual increase starting in 2026. The tax shall apply to plastic bags removed from the place of production or released from customs custody.

The incremental revenues collected shall be allocated to the Department of Environment and Natural Resources (DENR) for the implementation of RA 9003 in municipalities, thereby strengthening local government capacity to manage waste and reduce plastic pollution.

In essence, the objectives of the measure are to discourage the excessive use of single-use plastic bags; internalize the environmental and social costs of single-use plastics; and generate revenues to fund solid waste management and environmental protection programs, including projects on waste segregation, recycling, materials recovery facilities, and public awareness campaigns.

Through this measure, the State exercises its power of taxation not only as a fiscal instrument, but also as a tool to safeguard the constitutional right of the people to a balanced and healthy ecology.

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



HON. MIRO S. QUIMBO
Representative
Second District, Marikina City



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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 the Congress assembled:

CHAPTER I
GENERAL PROVISIONS

SECTION 1. *Short Title.* - This Act shall be known as the "Single-Use Plastic Bags Tax Act."

SEC. 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.

SEC. 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 130 AND 131 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.”

SEC. 4. Section 288 of the National Internal Revenue Code of 1997, as amended, is 21 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.”**

SEC. 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.

SEC 6. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SEC 7. *Repealing Clause.* — All laws, decrees, orders, rules, and regulations or parts thereof inconsistent with this Act are hereby repealed, amended, or modified accordingly.

SEC 8. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in at least one (1) newspaper of general circulation.

Approved,