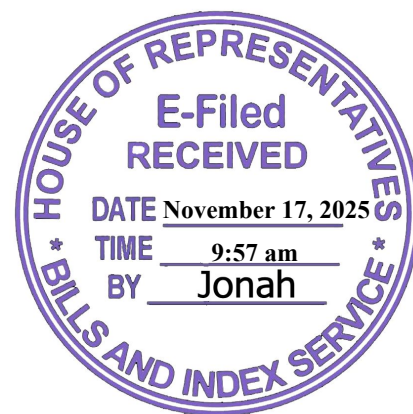


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5999



Introduced by **Representatives ERIC G. YAP and EDVIC G. YAP**

EXPLANATORY NOTE

This bill seeks to impose an excise tax on single-use plastic bags as a fiscal and environmental measure to curb plastic pollution and strengthen solid waste management in the country. This also promotes the utilization of environment-friendly alternatives to plastic bags.

The Philippines is one of the world's top marine plastic polluters, generating an estimated 750,000 metric tons of plastic waste that leak into the ocean annually¹. Filipinos consume about 57 million "sando" bags, 45 million "labo" bags, and 164 million sachets each day, as reported by the Global Alliance for Incinerator Alternatives (GAIA). This proposed measure imposes an excise tax of ₱100 per kilogram on single-use plastic bags, subject to a 4% annual increase starting 2026. This aims to reduce consumption and generate revenue for local government units (LGUs) to fund solid waste management programs under Republic Act No. 9003, or the "Ecological Solid Waste Management Act of 2000."

This legislative measure aligns with the State's constitutional mandate to protect and advance the right of the people to a balanced and healthful ecology, offering a pragmatic and sustainable approach to reducing plastic pollution while promoting fiscal responsibility and ecological balance.

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



HON. ERIC G. YAP



HON. EDVIC G. YAP

¹ CPBRD. 2020. *Marine Plastic Pollution*. Retrieved from https://cpbrd.congress.gov.ph/wp-content/uploads/2023/09/FF2020-42_Marine_Plastic_Pollution.pdf. Retrieved on 11 November 2025.

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HOUSE BILL NO. 5999

Introduced by **Representatives ERIC G. YAP and EDVIC G. YAP**

AN ACT
IMPOSING EXCISE TAX ON PLASTIC BAGS, THEREBY ADDING NEW SECTIONS 150-C AND 288(H) 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 “*Plastics 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. 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 01, 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 132 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 hereby further amended to read as follows:

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

“X X X

H) REVENUES FROM THE EXCISE TAX ON SINGLE-USE PLASTIC BAGS. – ONE HUNDRED PERCENT (100%) OF THE REVENUES COLLECTED FROM THE EXCISE TAX ON PLASTIC BAGS SHALL BE ALLOCATED AND USED EXCLUSIVELY FOR THE IMPLEMENTATION OF THE SOLID WASTE MANAGEMENT PLANS OF LOCAL GOVERNMENT UNITS, WHICH MAY INCLUDE THE ACQUISITION OF LAND FOR THE CONSTRUCTION AND OPERATION OF SANITARY LANDFILLS, PURSUANT TO REPUBLIC ACT NO. 9003, OTHERWISE KNOWN AS THE “ECOLOGICAL SOLID WASTE MANAGEMENT ACT OF 2000”.”

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 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 portion or provision of this Act is subsequently declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

SEC. 7. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

SEC. 8. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette and at least two (2) newspapers of national circulation.

Approved,