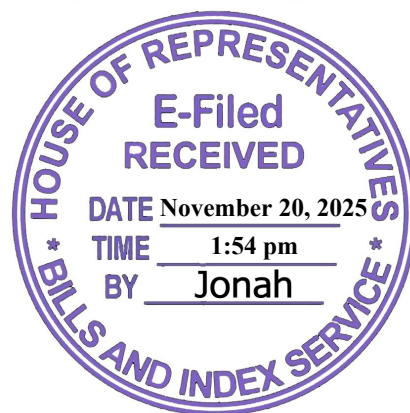


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 6249



Introduced by
REPRESENTATIVE MIKAELA ANGELA B. SUANSING

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

EXPLANATORY NOTE

The use of plastic bags as a means of transporting fresh produce, meat, clothing, and other consumption goods has become customary in the conduct of trade not only in the Philippines, but in other countries as well. With their relatively low cost, versatility and durability, it is no surprise that millions of citizens worldwide opt to utilize plastics. According to the United Nations, about 4 to 5 trillion plastic bags are used annually for personal and commercial purposes.¹

However, this mass consumption of plastics, most of which are single-use, has had significant detrimental effects on the environment. Among the 4-5 trillion plastic bags that are used each year, billions of bags end up as litter in bodies of water. Given the toxicity of plastic substances, especially when ingested by humans and animals, these inland and water waste in our oceans pose a grave threat to the very existence of ecosystems and the species that populate them. It has been documented that plastic marine debris harm approximately 267 different species, including sea turtles, dolphins, and whales, through entanglement and ingestion of plastics. It has also been estimated that over 400,000 marine animals dies annually due to plastic pollution in our oceans.²

On the other hand, humans are constantly exposed to possible carcinogenic chemicals that are used in the production of plastics, such as Bisphenol A (BPA). In most recent studies, it is emphasized that this specific chemical can potentially be related to disruptions in gene

¹ Beat Plastic Pollution. Retrieved from: <https://www.unenvironment.org/interactive/beat-plastic-pollution/>

² Le Guern, C. (2018, March). When the Mermaids Cry: The Great Plastic Tide. Retrieved from: <http://plastic-pollution.org>

expression, thereby affecting the biological functions related to the body's metabolism and development, as well as disruptions in fertility and sexual maturation.³

To reduce its costly environmental impact, several countries have already imposed taxes on the use of plastic bags, while others have even gone so far as to implement a total ban. Cities in the United States, namely Washington D.C., San Francisco, CA, and Seattle, WA, have dramatically reduced plastic pollution as a result of implementing taxes on plastic bags, curbing plastic consumption by 85%, 72%, and 78%, respectively.⁴ Canada has also adopted waste-reducing policies, particularly the ban on plastic straws and on the distribution of polystyrene foam cups and containers. Other countries such as India, Kenya, United Kingdom, Australia, and China have also enacted laws banning the use of plastic bags.⁵

Despite the enactment of Republic Act No. 9003, or the Ecological Solid Waste Management Act of 2001, the Philippines still remain as one of the countries with the highest amount of plastic bag waste ending up in oceans.⁶ Based on data from the Ocean Conservancy, the country generates about 2.7 million metric tons of plastic waste and half a million metric tons of plastic waste leakage each year.⁷ Aside from the short- and long-term consequences of plastic use in the environment and the health of humans and animals alike, the mass consumption of plastics in the Philippines further magnifies the flooding problem that Filipinos endure, especially during the typhoon season.

Given these alarming concerns, it is therefore necessary that Congress finally address the environmental and human costs brought about by the proliferation of plastic bag waste. As such, this bill seeks to discourage the use of single-use plastic bags by imposing an excise tax of One Hundred Pesos (Php100.00) per kilogram of plastic bags removed from the place of production or released from customs custody. The tax rate shall be subject to an annual increase of four percent (4%) beginning January 1, 2026, to account for inflation and to maintain the measure's effectiveness over time.

By leveraging the State's power of taxation, this measure aims to shift both consumer and industry behavior towards sustainable alternatives, while at the same time generating incremental revenues that will be earmarked for programs under Republic Act No. 9003 or the Ecological Solid Waste Management Act of 2000. These funds will enable the Department of Environment and Natural Resources to enhance waste management systems, promote recycling and upcycling, and implement community-level environmental projects, especially in municipalities with limited resources.

³ Mathieu-Denoncourt, Justin; Wallace, Sarah J.; de Solla, Shane R.; Langlois, Valerie S. (2014, November). "Plasticizer endocrine disruption: Highlighting developmental and reproductive effects in mammals and non-mammalian aquatic species." *General and Comparative Endocrinology*. Retrieved from: <https://doi.org/10.1016/j.ygcen.2014.11.003>

⁴ 10 Cities and Countries Confronting. Plastic Bag Pollution Head-On. Retrieved from:

<https://www.earthday.org/2018/04/20/10-cities-and-countries-confronting-plastic-bag-pollution-head-on/>

⁵ Ibid.

⁶ 2018 World Environment Day: Philippines Wages War vs Plastic Waste. Retrieved from: <http://environews.ph/waste/2018-world-environment-day-philippines-wages-war-vs-plastic-waste/>

⁷ Ibid.

and upcycling, and implement community-level environmental projects, especially in municipalities with limited resources.

Moreover, the bill includes provisions on tax administration, compliance mechanisms, and penalties for non-payment. It also ensures transparency and proper implementation through the issuance of rules and regulations by the Department of Finance, in consultation with the Bureau of Internal Revenue, Bureau of Customs, and DENR.

In line with the constitutional mandate to protect and advance the people's right to a balanced and healthful ecology, this legislative proposal reinforces the country's commitment to environmental stewardship. It underscores the principle that economic instruments, such as excise taxation, can and should be used to drive behavioral change, promote sustainability, and safeguard the welfare of future generations.

This bill was approved on Third and Final Reading during the 19th Congress. In view of the foregoing, the immediate approval of this measure is earnestly sought.



MIKAELA ANGELA B. SUANSING

1st District of Nueva Ecija

**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City**

**TWENTIETH CONGRESS
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House Bill No. 6249

**Introduced by
REPRESENTATIVE MIKAELA ANGELA B. SUANSING**

**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 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 and 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 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 shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

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

SEC. 8. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,