

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6291



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

EXPLANATORY NOTE

The foundation of this proposed measure rests on the State's policy to modernize public service and commerce by promoting the universal adoption of safe, secure, reliable, and efficient digital payment systems.

This will ensure that every Filipino, especially the unbanked and underserved populations, has access to account-based services and digital platforms, enabling them to participate securely in the formal economy. This will minimize bureaucratic red tape, lower transaction costs, and enable faster, more convenient payment channels for citizens, enterprises, and the government.

Transparency and accountability in all government digital transactions will be enhanced because of the traceability of this system, which will result in the reduction of opportunities for corruption and leakages.

A financial system that remains functional and accessible during crises, calamities, or emergencies, as demonstrated by the crucial role of digital payments during the COVID-19 pandemic, is highly called for.

This proposed legislation generally mandates and facilitates the shift to a digital payments ecosystem of all National Government Agencies (NGAs), Government-Owned or -Controlled Corporations (GOCCs), and Local Government Units (LGUs).

The measure also strongly encourages merchants of all sizes (including micro, small, and medium enterprises or MSMEs) to establish or outsource arrangements to receive and make payments digitally.

The Bangko Sentral ng Pilipinas (BSP) is tasked to accelerate the adoption of national standards, such as the QR Ph (the country's national quick response code standard), to ensure full interoperability. This eliminates the need for consumers and merchants to maintain multiple accounts for different payment service providers (PSPs).

Seen as a crucial step in transforming the Philippine economy into a modern, cash-lite society, the consideration of this Bill is hereby earnestly sought.



SALVADOR A. PLEYTO, SR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6291

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

**AN ACT PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR
FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS**

*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 "Digital Payments Promotion Act of 2025" or the "DPPA."

SEC. 2. *Declaration of Policy.* – 0AIt is the declared policy of the State to foster a modern, efficient, and inclusive financial system that reduces transaction costs, minimizes the risks associated with handling physical cash, enhances transparency, combats corruption, and promotes financial inclusion. The State shall therefore actively encourage and incentivize the shift towards digital and electronic payment methods for all financial transactions, particularly those involving government services and commercial trade.

SEC. 3. *Scope and Coverage* - This Act shall apply to the following:

- All National and Local Government Agencies (NGAs and LGUs). This includes all departments, bureaus, offices, instrumentalities, government-owned and controlled corporations (GOCCs), and local government units.
- All Business Establishments and Merchants. This encompasses any individual or entity engaged in the selling of goods or services, regardless of size or legal form, including but not limited to retailers, service providers, e-commerce platforms, and public utilities.

- All Financial Transactions. This includes, but is not limited to, payments for government fees, taxes, licenses, permits, utilities, purchases of goods and services, and disbursements/payouts by the government.

SEC. 4. *Mandatory Adoption by Government Agencies*

- Government Acceptance of Digital Payments. Within one (1) year from the effectivity of this Act, all NGAs and LGUs shall be mandated to establish and maintain the necessary infrastructure, systems, and protocols to accept at least two (2) distinct digital payment methods (e.g., QR codes, online bank transfers, mobile wallets, or payment gateways) for the collection of all government dues, fees, and charges.
- Digital Disbursements. All government disbursements, including salaries, aid, subsidies, and payments to suppliers, shall be prioritized through digital bank transfers or mobile money channels, except where a payee explicitly lacks the necessary account or access, in which case physical cash or checks may still be utilized.

SEC. 5. *Obligations of Merchants*

- Offering Digital Payment Options.

Within two (2) years from the effectivity of this Act, all business establishments and merchants shall be required to provide customers with the option to pay using at least one (1) universally accepted digital payment method (e.g., a national QR code standard, or major credit/debit card facility).

Exemption: Micro-enterprises with average daily sales below a threshold to be determined by the Department of Trade and Industry (DTI) and the Bangko Sentral ng Pilipinas (BSP) may be exempted, but shall be strongly encouraged to adopt digital payment methods through support programs.

- Prohibiting Digital Payment Surcharges.

No merchant shall impose a surcharge, extra fee, or higher price on customers who choose to pay using any digital payment method, provided the transaction is within the standard interchange fee limits set by the BSP.

SEC. 6. *Incentives and Support*

- Tax Incentives for Merchants.

Merchants who fully comply with Section 4(a) and whose annual digital transaction volume exceeds a certain percentage (to be determined by the Department of Finance) shall be eligible for a discount or special deduction on their annual income tax, subject to the rules and regulations of the Bureau of Internal Revenue (BIR).

- Subsidized Infrastructure.

The government, through the Department of Information and Communications Technology (DICT) and the BSP, shall implement programs to provide subsidies or grants for the acquisition of point-of-sale (POS) terminals, necessary software, or technical training for MSMEs (Micro, Small, and Medium Enterprises) adopting digital payment systems for the first time.

- Financial Literacy and Inclusion Programs.

The BSP shall intensify its efforts in promoting digital financial literacy and inclusion, ensuring that all citizens, especially those in rural and underserved areas, have access to and knowledge of how to safely use digital payment services.

SEC. 7. *Implementing Agencies.* - The Bangko Sentral ng Pilipinas (BSP), in coordination with the Department of Finance (DOF), the Department of Trade and Industry (DTI), and the DICT, shall be the primary agencies tasked with promulgating the necessary rules and regulations for the effective implementation of this Act.

SEC. 8. *Penalties for Non-Compliance.*

- *Government Agencies (Section 3):* Failure of a government head or responsible officer to comply shall be penalized with administrative sanctions as provided by existing civil service laws.
- *Merchants (Section 4):* Merchants found violating the mandatory adoption clause or the anti-surcharge clause shall be subject to fines by the DTI, which shall escalate for repeat offenses, and may lead to the suspension or revocation of their business permits.

SEC. 12. *Separability Clause.* - If any provision of this Act is held invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SEC. 13. *Repealing Clause.* - All laws, decrees, orders, rules, and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 14. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,