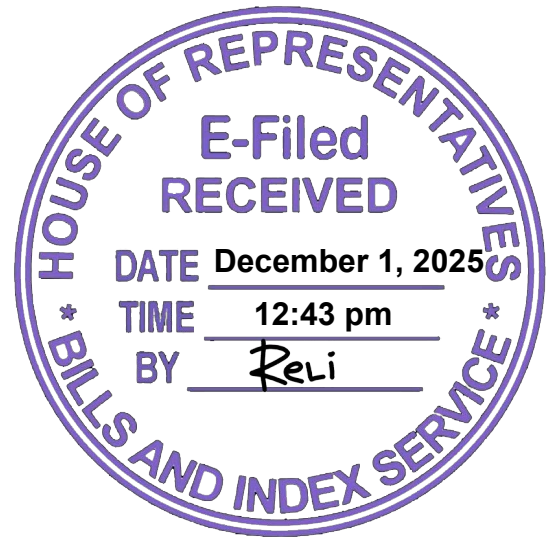




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

20th CONGRESS
1st Regular Session

HOUSE BILL NO. **6480**



Introduced by Representative SITTIE SHAHARA “BAI DIMPLE” I. MASTURA

AN ACT

INTRODUCING A NEW SECTION DESIGNATED AS 150-C AND AMENDING SECTION 288 IN THE NATIONAL INTERNAL REVENUE CODE OF 1987, AS AMENDED

EXPLANATORY NOTE

In the Name of God, the Beneficent, the Merciful

Single-use plastics are goods that are made primarily from fossil fuel-based chemicals (petrochemicals) and are meant to be disposed of right after use — often, in mere minutes. Single-use plastics are most commonly used for packaging and service ware, such as bags, bottles, wrappers, and straws.

In the Philippines, the low cost and convenience of plastic sachets compounded by inefficient waste disposal, resulted to the rise of a multitude of negative impacts on the environment, earning us the description of one among the world’s leading plastic polluters.

We cannot deny that because of poverty levels, people buy many products in small amounts — understandably cheaper but produces much more wastes, an effect that is highly evident during countless “clean-ups” and where most of the debris are plastics, single-use sachets for shampoo, toothpaste, creams, laundry soaps, and even food.

Our country is one of the so-called “sachet economies”, because in the most practical sense, goods in sachets are easy to sell, more often in ribbons of single-use products hanging from neighborhood stores everywhere and even in the most remote communities, highly profitable for manufacturers that is why large multinational companies continue to market these.

The recent incidences of massive flooding in many areas of the country however, elevated the subject of improper waste disposal to national consciousness because of the damages to lives and properties, even in areas where such flooding of unbelievable proportion has never occurred in the past.

Of particular concern are the findings of both government and non-government organizations that plastic is killing the marine environment and all creatures that call it home.

The Great Pacific Garbage Patch is one horrifying example of where “shampoo sachets” haphazardly disposed off in river systems end up somewhere in the Pacific Ocean, a single addition to the floating plastic wastes covering an area of 1.6 million square kilometers of open water.

The distinction of being a leading plastic polluter is not good news to government, the sovereign state, our institutions, businesses, and the country as a whole.

This representation believes that this august chamber must take a leading role, through appropriate and pro-active legislation, to make our countrymen, each and every one of us regardless of socio-economic status, more conscious of single-use plastic consumption.

To accomplish this, this bill seeks to impose an excise tax on single-use plastics such as bags, wrappers, straws, packaging more importantly, to rationalize and to balance production and consumption, as we vigorously pursue a monumental shift to reusable alternatives, motivate manufacturers and consumers through incentives, while generating revenue for waste management, recycling and sustainability.

We are facing a dangerous, alarming and life-threatening plastic pollution crisis of massive proportions so we should act now.

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



SITTIE SHAHARA “BAI DIMPLE” I. MASTURA

Representative

Maguindanao del Norte with Cotabato City
Lone District



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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress Assembled:

SECTION 1. 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 AND FIFTY PESOS (PHP 150.00) 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 PLASTICS 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 AND 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 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. 2. – 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. 3. *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. 4. *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. 5. *Repealing Clause.* – All laws, decrees, executive orders, rules, and regulations or parts thereof which are contrary to or inconsistent with any provision of this Act are hereby repealed, modified, or amended accordingly.

SEC. 6. – *Effectivity.* – This Act shall take effect fifteen (15) days after its publication either in the Official Gazette or in at least one (1) newspaper of general circulation.

Approved.