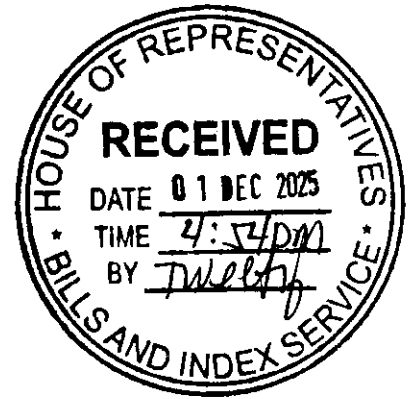


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6535



Introduced by: **REP. RACHEL MARGUERITE "CUTIE" DEL MAR**

EXPLANATORY NOTE

The **Estate Tax Abolition Act of 2025** seeks to repeal all provisions of the National Internal Revenue Code, as amended by the Tax Reform for Acceleration and Inclusion (TRAIN) Law, that impose the estate tax on the transfer of the net estate of deceased persons.

The estate tax, while intended to generate government revenue, has long been recognized as a **significant financial burden on grieving families**. At a time when families are already coping with emotional distress due to the loss of a loved one, the imposition of a tax on inherited assets adds an additional layer of financial and administrative stress. Paying estate tax often requires liquidating family assets, which can disrupt family businesses, properties, or savings that have been accumulated over generations.

From an economic standpoint, the abolition of the estate tax is expected to:

1. **Encourage wealth retention and investment** within Filipino families, allowing them to reinvest resources rather than diverting them to taxation.
2. **Simplify tax compliance and administrative procedures**, reducing bureaucratic burdens on heirs and the Bureau of Internal Revenue (BIR).
3. **Promote intergenerational financial stability**, supporting family-owned enterprises and long-term economic growth.

This measure aligns with the State's policy of **supporting Filipino families**, recognizing that they are the basic unit of society and play a crucial role in nation-building. By eliminating the estate tax, we alleviate unnecessary financial hardship on families during a time of mourning, while promoting a more equitable and efficient fiscal system.

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


RACHEL MARGUERITE "CUTIE" DEL MAR

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TWENTIETH CONGRESS
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HOUSE BILL NO. 6535

Introduced by: **REP. RACHEL MARGUERITE “CUTIE” DEL MAR**

AN ACT
ABOLISHING THE ESTATE TAX UNDER THE NATIONAL INTERNAL REVENUE
CODE 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 “Estate Tax Abolition Act of 2025.”

SEC. 2. Declaration of Policy. It is hereby declared the policy of the State to promote economic growth, encourage wealth accumulation within Filipino families, and simplify tax compliance. In pursuit of this policy, the State recognizes the need to abolish the estate tax imposed under existing law.

SEC. 3. Abolishing of Estate Tax. All provisions of the National Internal Revenue Code of 1997 (Republic Act No. 8424), as amended by the Tax Reform for Acceleration and Inclusion (TRAIN) Law (Republic Act No. 10963), imposing the estate tax on the transfer of the net estate of deceased persons, are hereby repealed. Consequently, estates of deceased persons shall no longer be subject to estate tax.

SEC. 4. *Amendments to Other Relevant Provisions.* All references to estate tax in any law, regulation, or administrative issuance shall be deemed amended accordingly. The Bureau of Internal Revenue (BIR) shall issue the necessary rules and regulations to implement this Act.

SEC. 5. *Repealing Clause.* All laws, decrees, executive orders, rules, and regulations, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

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

SEC. 7. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved.