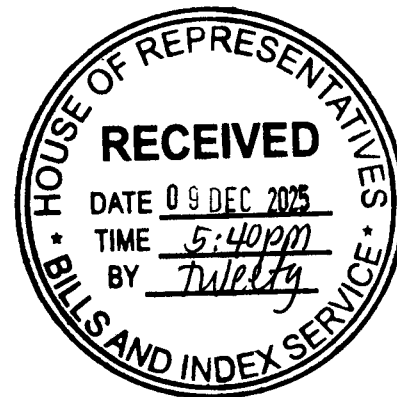




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6729

Introduced by Hon. Jonathan Keith T. Flores

EXPLANATORY NOTE

The increasing generation of plastic waste and its adverse impacts on the environment, public health and the economy have become critical challenges for the Philippines. In recognition of the constitutional mandate to protect and advance the right of the people to a balanced and healthful ecology, this bill proposes to impose taxes on single-use plastics to 1) reduce the amount of single-use plastics utilized and disposed of; and 2) to raise revenue dedicated to sustainable waste-management programs.

Under the proposed bill, a new Section 150-C is added to the National Internal Revenue Code of 1997 providing that an excise tax amounting to one hundred pesos (₱100.00) shall be levied, assessed and collected for every kilogram of single-use plastic bags removed from the place of production or released from the custody of the Bureau of Customs. The rate is scheduled to increase by four percent (4 %) annually beginning 1 January 2026.

The term “single-use plastic bags” is defined under the bill as secondary-level plastics made of synthetic or semi-synthetic organic polymer - for example “ice”, “labo” or “sando” bags, with or without handle, used as packaging for goods or products. The bill also amends Section 288 of the NIRC to add a new paragraph (H) which stipulates that the incremental revenues from this excise tax shall be allocated to the Department of Environment and Natural Resources (DENR) for the implementation of Republic Act 9003 (Ecological Solid Waste Management Act of 2000) in municipalities.

The proposed measure aims to achieve three inter-related objectives: first, to discourage the production, importation, use and distribution of single-use plastic bags by raising their cost through a tax; second, to generate revenue that is earmarked for solid-waste management and environmental protection programs; and third, to shift behaviour and consumption patterns towards more sustainable, reusable or alternative packaging solutions.

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

JONATHAN KEITH T. FLORES
2nd District, Bukidnon



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
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HOUSE BILL NO. 6729

Introduced by Jonathan Keith T. Flores

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 Tax Act.”

SECTION 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

SECTION 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.”

SECTION 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 31 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.”

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 8. 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,