



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 6758



Introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre

AN ACT
PROVIDING FOR TAX RELIEF IN TIMES OF A CALAMITY

EXPLANATORY NOTE

The Philippines ranks among the most disaster-prone countries in the world. According to the World Risk Index 2023, the country remains to be the most at risk globally to natural hazards such as typhoons, floods, earthquakes, and volcanic eruptions; and these hazards are becoming more intense due to climate change.¹ Each year, an average of 20 tropical cyclones enter the Philippine Area of Responsibility, with several causing significant loss of life and damage to property. To emphasize, the National Disaster Risk Reduction and Management Council (NDRRMC) reported that damage to infrastructure and agriculture from recent weather disturbances alone has reached ₱12.84 billion, with ₱10.59 billion in infrastructure and ₱2.25 billion in agriculture, severely affecting livelihoods and local economies.²

In such times, tax obligations and bureaucratic procedures often add to the burden of those already struggling to recover. Real property owners in affected areas face difficulties meeting tax deadlines for properties that may have been destroyed or rendered unusable. Meanwhile, individuals and organizations intending to donate relief assistance must still comply with complex accreditation

¹ Waiting for the 'Big One' – Natural hazards in the Philippines: A UN Resident Coordinator blog. UN News. <https://news.un.org/en/story/2024/10/1155516>

² Agri, infra damage from severe weather reaches P12.8-B – NDRRMC. Philippine News Agency. <https://www.pna.gov.ph/articles/1255605>

procedures or pay donor's tax before aid can be delivered, thus delaying critical support to victims.

Given the country's vulnerability to natural disasters, the State must ensure that responsive and efficient disaster prevention, mitigation, and response programs are in place. To address these, this measure seeks to provide tax relief for real estate owners and donors in times of a calamity.

This measure grants automatic tax relief during a declared state of calamity, including the suspension of real property tax collection for two fiscal years in affected areas and the automatic exemption of calamity-related donations from donor's tax. These provisions aim to accelerate relief operations, ease the financial burden on victims, and encourage more donors to contribute without bureaucratic impediments.

The proposal complements ongoing national initiatives under Republic Act No. 10121, otherwise known as the Philippine Disaster Risk Reduction and Management Act of 2010, as well as Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act, by promoting responsive governance, transparency, and compassion during emergencies.

This measure was initially filed during the 15th Congress.

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



FERDINAND MARTIN G. ROMUALDEZ



YEDDA MARIE K. ROMUALDEZ



ANDREW JULIAN K. ROMUALDEZ



JUDE A. ACIDRE



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

Section 1. *Calamity defined.* – For the purposes of this Act, *Calamity* shall be defined as a state of extreme distress or misfortune, produced by some adverse circumstance or event or any great misfortune or cause or loss or misery caused by natural forces.

Section 2. *Effect of Declaration of Calamity.* – A declaration of a state of calamity by the proper local Sanggunian shall make effective the following tax relief:

- a) The real property tax in the affected area shall not be assessed and collected for two (2) fiscal years, starting from the date of the declaration of a state of calamity;
- b) Any donation in the name of any organization that declares that the

funds donated shall be in favor of the victims of the calamity shall be exempt from donor's tax. This exemption from the donor's tax shall automatically apply and the Bureau of Internal Revenue shall not require any accreditation requirements: *Provided, however,* That not more than 10% of the said gifts shall be used by the donee organization for administrative purposes.

Section 3. *Implementing Rules and Regulations.* – The Bureau of Internal Revenue (BIR) shall, within thirty (30) days from the effectivity of this Act, promulgate the rules and regulations necessary for the effective implementation of this Act.

Section 4. *Separability Clause.* – If any provision of this Act is subsequently declared invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

Section 5. *Repealing Clause.* – All other laws, presidential decrees, executive orders and issuances, or portions thereof, which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Section 6. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,