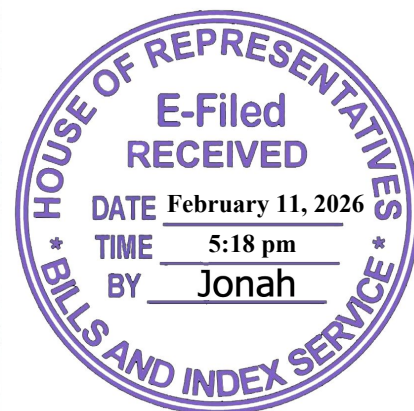


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. **7775**



**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO
AND JOCELYN P. TULFO**

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**

EXPLANATORY NOTE

The State is mandated to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature, pursuant to Article II, Section 16 of the 1987 Constitution.

In the Philippines, about 2.7 million tons of plastic waste were generated annually, 20% of which goes to the ocean. "Sachet economy" and "high dependence" on single-use plastics continue to worsen the alarming levels of marine plastic pollution. The country is urged to enforce implementation of sufficient waste management system.¹ However, the insufficiency of the nation's waste management infrastructure, coupled with human carelessness, is frequently pinpointed as the primary factors behind plastic pollution seeping into both land and sea environments. Despite several cities or local government units endeavoring to enact sustainable zero

¹ Francisco, Mikael Angelo S., "PHILIPPINES: Reducing Plastic Waste Isn't in the Bag - Yet", HEINRICH BOLL STIFTUNG, 27 Jan 2025, <https://th.boell.org/en/2025/01/20/philippines-reducing-plastic-waste>.

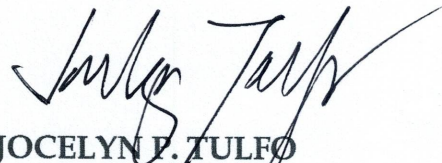
waste management strategies, the persistent growth and use of single-use plastics undermine these efforts in strategy implementation.²

This bill aims to provide an alternative, preventive, and effective measure against the excessive use of single-use plastic bags and plastic pollution through the proper exercise of the power of taxation. Single-use plastic bags are 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. Therefore, an excise tax shall be levied, assessed, and collected for every kilogram of single-use plastic bag and corresponding penalties shall apply for non-payment thereof. Moreover, the incremental revenues from the imposition of the excise tax shall be allocated for the implementation of the Ecological Solid Waste Management Act of 2000, particularly to the programs of the Department of Environment and Natural Resources.

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



RALPH WENDEL P. TULFO
Representative
2nd District of Quezon City



JOCELYN P. TULFO
Representative
ACT-CIS Partylist

² Tabañag, Dr. Ian Dominic F., “Plastik sa Kapaligiran: Addressing Mismanaged Single-Use Plastics”, *SUSTAINABLE DEVELOPMENT*, May 2024, https://sdgs.un.org/sites/default/files/2024-05/Taba%C3%B1ag_Plastik%20sa%20Kapaligiran.pdf.

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

1 **SECTION 1. Short Title.** – This Act shall be known as “Single-Use Plastic Bags
2 Tax Act”.

3
4 **SEC. 2. Declaration of Policy.** – It is hereby declared as the policy of the State to
5 protect and advance the right of the people to a balanced and healthful ecology in
6 accord with the rhythm and harmony of nature through the proper exercise of its
7 power of taxation.

8
9 **SEC. 3.** A new section designated as Section 150-C of the National Internal
10 Revenue Code of 1997, as amended, is hereby added to read as follows:

11 “SEC.150-C. SINGLE USE PLASTICS BAGS. –

12 “(A) RATE AND BASE OF TAX. – THERE SHALL BE LEVIED,
13 ASSESSED, AND COLLECTED AN EXCISE TAX IN THE AMOUNT
14 OF TWENTY PESOS (PHP20.00) FOR EVERY KILOGRAM OF SINGLE-

1 USE PLASTIC BAGS REMOVED FROM THE PLACE OF
2 PRODUCTION OR RELEASED FROM THE CUSTODY OF THE
3 BUREAU OF CUSTOMS.

4 THE RATE OF TAX IMPOSED UNDER THIS SUBSECTION
5 SHALL BE INCREASED BY FOUR PERCENT (4%) EVERY YEAR,
6 EFFECTIVE ON JANUARY 1, 2026 THROUGH REVENUE
7 REGULATIONS ISSUED BY THE SECRETARY OF FINANCE.

8 SINGLE USE PLASTIC BAGS SHALL REFER TO SECONDARY
9 LEVEL PLASTICS MADE OF SYNTHETIC OR SEMISYNTHETIC
10 ORGANIC POLYMER, SUCH AS "ICE", "LABO" OR "SANDO" BAGS,
11 WITH OR WITHOUT HANDLE, USED AS PACKAGING FOR GOODS
12 OR PRODUCTS.

13 (B) FILING OF RETURN AND PAYMENT OF EXCISE TAX ON
14 SINGLE-USE PLASTIC BAGS. – THE PROVISIONS OF SECTIONS 130
15 AND 131 OF THE NATIONAL INTERNAL REVENUE CODE OF 1997,
16 AS AMENDED, ON THE FILING OF RETURN AND PAYMENT OF
17 EXCISE TAX SHALL APPLY.

18 (C) NON-PAYMENT OF EXCISE TAX. – NON-PAYMENT OF
19 THE EXCISE TAX IMPOSED UNDER THIS ACT SHALL BE SUBJECT
20 TO THE PERTINENT PROVISIONS UNDER TITLES VIII AND X IF
21 THE NATIONAL INTERNAL REVENUE CODE OF 1997 AS
22 AMENDED, REGARDING COLLECTION OF UNPAID TAXES AND
23 IMPOSITION OF CORRESPONDING FINES, SURCHARGES,
24 PENALTIES, AND IMPRISONMENT OR CLOSURE OF BUSINESS."

25
26 SEC. 4. Section 288 of the National Internal Revenue Code of 1997, as amended,
27 is hereby further amended to read as follows:

28 "SEC. 288. *Disposition of Incremental AND OTHER Revenues.* –

29
30 "A) xxx
31

1 “(B) xxx

2
3 “(C) xxx

4
5 “(D) xxx

6
7 “(E) xxx

8
9 “(F) xxx

10
11 “(G) xxx

12
13 “(H) DISPOSITION OF INCREMENTAL REVENUES FROM THE
14 EXCISE TAX ON SINGLE -USE PLASTIC BAGS. -

15 THE INCREMENTAL REVENUES FROM THE IMPOSITION OF THE
16 EXCISE TAX ON SINGLE-USE PLASTIC BAGS SHALL BE
17 ALLOCATED TO PROGRAMS OF THE DEPARTMENT OF
18 ENVIRONMENT AND NATURAL RESOURCES FOR THE
19 IMPLEMENTATION OF REPUBLIC ACT NO. 9003, OTHERWISE
20 KNOWN A THE ‘ECOLOGICAL SOLID WASTE MANAGEMENT
21 ACT OF 2000’ IN MUNICIPALITIES.”

22
23 **SEC. 5. *Implementing Rules and Regulations.*** – Within sixty (60) days from the
24 effectivity of this Act, the Secretary of Finance shall, upon the recommendation of the
25 Commissioners of the Bureau of Internal Revenue and the Bureau of Customs and, in
26 consultation with the Department of Environment and Natural Resources, issue and
27 promulgate rules and regulations for the effective implementation of this Act.

28
29 **SEC. 6. *Repealing Clause.*** – All laws, decrees, executive orders, and regulations,
30 and other issuances, or parts thereof, which are contrary to or inconsistent with this
31 Act, are hereby repealed, amended, or otherwise modified accordingly.

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SEC. 7. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the remaining provisions hereof which area not affected shall remain in full force and effect.

SEC. 8. Effectivity. – This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in at least one (1) newspaper of general circulation.

Approved,