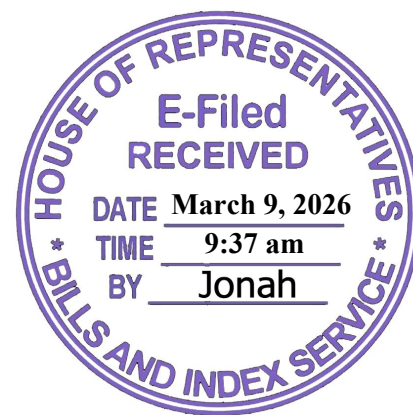


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8351



Introduced by **Representative ERIC G. YAP**

EXPLANATORY NOTE

This bill seeks to grant the President of the Philippines temporary emergency powers to immediately suspend or reduce the imposition of excise taxes on mineral oils, motor fuels, and other petroleum products. This ensures that the government can provide timely economic relief to the public during periods of extreme global market volatility.

The urgency of this proposed measure is highlighted by the ongoing geopolitical crisis involving the United States of America, Israel, and Iran, which has severely disrupted global energy supply chains. The effective closure of the Strait of Hormuz, a maritime artery responsible for approximately twenty percent (20%) of global oil and liquefied natural gas (LNG) consumption¹, has led to a sustained surge in international crude prices. As the Philippines relies heavily on imported petroleum, these translate into consecutive weekly domestic fuel price hikes². Such increases threaten to destabilize the national economy by inflating costs in the transportation, agriculture, and manufacturing sectors, which results in the erosion of the purchasing power of Filipinos.

To address these risks, this measure authorizes the President, upon the recommendation of the Development Budget Coordination Committee (DBCC), to temporarily suspend or reduce excise taxes once global oil prices reach Eighty US Dollars (USD 80) per barrel. This reflects a swift response to external price shocks, stabilizes domestic fuel prices, and mitigate inflationary pressures.

¹ U.S. Energy Information Administration. 16 June 2025. *Amid regional conflict, the Strait of Hormuz remains critical oil chokepoint*. <https://www.eia.gov/todayinenergy/detail.php?id=65504>

² Villanueva, Joann. 2 March 2026. *Fuel prices up by as much as P1.90/L amid MidEast conflict*. <https://www.pna.gov.ph/articles/1270072>

This vital piece of legislation balances the need for fiscal responsibility with the urgent necessity of protecting Filipino consumers and sustaining economic activity during periods of global crisis.

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



HON. ERIC G. YAP

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8351

Introduced by **Representative ERIC G. YAP**

AN ACT
ALLOWING THE AUTOMATIC SUSPENSION OR REDUCTION OF
EXCISE TAX ON FUELS, AMENDING FOR THE PURPOSE ARTICLE 148
OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS
AMENDED

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

Section 1. Section 148 of the National Internal Revenue Code of 1997 (NIRC), as amended, is hereby further amended to read as follows:

“SEC. 148. Manufactured Oils and Other Fuels. – x x x

“NOTWITHSTANDING THE PROVISION ABOVE, THE PRESIDENT, UPON THE RECOMMENDATION OF THE DEVELOPMENT BUDGET COORDINATION COMMITTEE, MAY SUSPEND OR REDUCE THE EXCISE TAXES ON FUEL THROUGH AN EXECUTIVE ORDER: PROVIDED, THAT THE AVERAGE DUBAI CRUDE OIL PRICE BASED ON MEAN OF PLATTS SINGAPORE (MOPS) FOR ONE (1) MONTH REACHES OR EXCEEDS EIGHTY DOLLARS (USD 80) PER BARREL: PROVIDED, FURTHER, THAT THE SAID SUSPENSION OR REDUCTION OF EXCISE TAXES SHALL BE AUTOMATICALLY LIFTED WHEN THE ABOVE CONDITION IS NO LONGER PRESENT.”

SEC. 2. *Separability Clause.* – If any provision of this Act is held invalid or unconstitutional, the other provisions not so declared shall remain in force and effect.

SEC. 3. *Repealing Clause.* – All laws, decrees, orders and rules, and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 4. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or a newspaper of general circulation.

Approved,