

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
TWENTIETH CONGRESS
First Regular Session
HOUSE BILL NO. 9136



Introduced by HON. PHILIP CONRAD "DOK BONG" M. ACOP

AN ACT
EXEMPTING DRUGS AND MEDICINES PRESCRIBED FOR MENTAL
HEALTH CONDITION FROM VALUE-ADDED TAX (VAT)

EXPLANATORY NOTE

In the quiet corners of our households, a silent struggle persists. It does not always announce itself with a fever or a visible wound, yet its toll is every bit as debilitating as the most chronic physical ailments. Mental health conditions, once whispered about in shadows, have finally emerged into the light of public discourse. However, for many Filipinos, the barrier to recovery is not just the stigma; it is the receipt at the pharmacy counter.

The "Mental Health Medicine Tax Exemption Act" is a long-overdue manifesto of empathy, signaling a country that finally values the invisible scars of its people as much as the visible ones.

For years, our tax code has recognized the necessity of making life-saving maintenance drugs for diabetes and hypertension more affordable. By extending this same grace to mental health medications, the government acknowledges a fundamental truth: a healthy mind is the bedrock of a productive nation. When a person is forced to choose between a meal and their antidepressant, or between rent and their mood stabilizer, we fail as a collective.

This bill is essential because it bridges the gap between the right to health and the ability to afford it, ensuring that "wellness" is not a luxury reserved for the affluent, but a standard accessible to the many. It offers immediate economic relief to thousands of families. By slashing 12% off the top of often-expensive psychiatric prescriptions, we increase medication adherence.

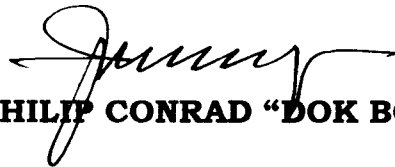
When patients can afford to stay on their treatment plans consistently, we see a drastic reduction in emergency room visits and crisis interventions. This does not just save lives; it saves the healthcare system millions in long-

term costs. Furthermore, it empowers the individual to return to the workforce, transforming someone sidelined by their condition into an active, contributing member of the economy.

Beyond the numbers, the passage of this Act serves as a powerful cultural catalyst. It sends a resounding message to every citizen that seeking help for a mental health condition is legitimate and supported by the state. It treats the brain with the same medical urgency as the heart or the lungs.

As medicines become more reachable, the shadow of shame retreats, replaced by a community-wide understanding that mental resilience is a national priority. By removing the tax on these essential drugs, we are not just lowering prices, we are raising the quality of life for an entire generation, proving that in this country, no one has to pay a premium just to find peace of mind.

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

A handwritten signature in black ink, appearing to read 'Philip Conrad', with a stylized flourish extending to the right.

HON. PHILIP CONRAD "DOK BONG" M. ACOP

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HEALTH CONDITION FROM VALUE-ADDED TAX (VAT)**

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

SECTION 1. Short Title. – This Act shall be known as the “Mental Health
Medicine Tax Exemption Act”.

SEC. 2. Exemption. – Sec. 109 of the National Internal Revenue Code (NIRC),
as amended, is hereby further amended to read as follows:

SEC. 109. Exempt Transactions. –

- (1) Subject to the conditions of Subsection (2) hereof, the
following transactions shall be exempt from the value-
added tax:

x x x

(AA) Sale of drugs and medicines prescribed for diabetes,
high cholesterol, and hypertension beginning January 1,
2019; [and]

(BB) Sale or lease of goods or properties or the
performance of services other than the transactions
mentioned in the preceding paragraphs, where the gross
annual sales and/or receipts do not exceed the amount of
Three Million Pesos (P3,000,000.00); AND

(CC) SALES OF DRUGS AND MEDICINES PRESCRIBED
FOR MENTAL HEALTH CONDITIONS BEGINNING JAN. 1,
2027

SEC. 3. *Implementing Rules and Regulations.* – The necessary implementing rules and regulations for the purposes of this Act shall be issued by the Secretary of Finance, upon the recommendation of the Commissioner of Internal Revenue, within 60 days from the effectivity of this Act.

SEC. 4. *Separability Clause.* – If, for any reason, any part or provision of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected thereby shall remain in full force and effect.

SEC. 5. *Repealing Clause.* – All laws, presidential decrees, executive orders, rules, and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 6. *Effectivity.* – This Act shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,