

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

TWENTIETH CONGRESS
Second Regular Session

House Bill No. **10410**



Introduced by **Representative JEFFREY SORIANO**

EXPLANATORY NOTE

This bill seeks to repeal Batas Pambansa (BP) Blg. 36, entitled "*An Act Imposing an Energy Tax on Electric Power Consumption, and For Other Purposes*". It eliminates an outdated tax burden that contributes to the high cost of electricity and consequentially provides meaningful relief to Filipino consumers.

Despite reforms introduced through the restructuring and liberalization of the power sector, the Philippines continues to experience some of the highest electricity rates in Southeast Asia. The continued collection of the energy tax under BP Blg. 36 further increases electricity costs, compounding the effects of inflation, rising fuel prices, and other economic pressures. Higher electricity costs diminish household purchasing power, increase operating expenses for enterprises, and reduce the competitiveness of domestic industries, particularly micro, small, and medium enterprises.

This bill repeals the energy tax imposed under BP Blg. 36 and directs the immediate cessation of its collection. The repeal is intended to reduce electricity rates, ease the cost of living, lower production and operating expenses, and enhance the affordability of electric power without compromising the delivery of essential services. It seeks to provide immediate economic relief to consumers while supporting sustainable economic activity through more accessible and reasonably priced electricity.

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


HON. JEFFREY SORIANO

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AN ACT
REPEALING BATAS PAMBANSA BLG. 36, ENTITLED "AN ACT IMPOSING
AN ENERGY TAX ON ELECTRIC POWER CONSUMPTION"

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

Section 1. Short Title. – This Act shall be known as the "*Energy Tax Repeal Act*".

SEC. 2. Energy Tax Repeal. – Batas Pambansa (BP) Blg. 36, entitled "*An Act Imposing an Energy Tax on Electric Power Consumption*", is hereby repealed.

SEC. 3. Effect of Repeal. – Upon the effectivity of this Act:

a. The collection of energy tax imposed under BP Blg. 36 shall immediately cease;

b. Electric distribution utilities, electric cooperatives, generation companies, retail electricity suppliers, and all other entities responsible for billing electricity consumers shall discontinue the imposition, collection, and remittance of the energy tax; and

c. Any implementing rules, regulations, circulars, or issuances issued pursuant to BP Blg. 36 shall likewise cease to have force and effect, insofar as they are inconsistent with this Act.

SEC. 4. Implementing Rules and Regulations. – Within sixty (60) days from the effectivity of this Act, the Department of Finance, in coordination with the Bureau of Internal Revenue, the Department of Energy, and Energy Regulatory Commission, shall promulgate the rules and regulations and other issuances as may be necessary to ensure the effective implementation of this Act.

SEC. 5. Separability Clause. – If any portion or provision of this Act is declared invalid or unconstitutional, other provisions hereof shall remain in full force and effect.

SEC. 6. *Repealing Clause.* – All laws, presidential decrees, executive orders, rules and regulations which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 7. *Effectivity.* – This Act shall take effect fifteen days (15) after its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,