

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. 11454



Introduced by: Hon. Keith Micah "Atty. Mike" D.L. Tan

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

Plastic pollution has emerged as a significant environmental, economic, and public policy concern. According to the United Nations, as many as five (5) trillion single-use plastic bags are used worldwide each year.¹ The use of plastic bags to transport fresh produce, meat, clothing, and other consumption goods has become a common practice in the conduct of trade, not only in the Philippines but across the globe. Given their affordability, versatility and durability, it is understandable why plastic bags have become widely utilized by consumers and businesses alike.

The continued production and consumption of short-lived plastic products, particularly those designed for single use, have placed considerable strain on waste-management systems and have contributed substantially to the growing problem of plastic pollution. Beyond the immediate and long-term impacts of plastic waste on the environment and the health of humans and animals, the widespread consumption and improper disposal of plastics in the Philippines also exacerbate the country's persistent flooding problems, particularly during the typhoon season, when clogged drainage systems and waterways can impede the flow of floodwaters. In light of these pressing concerns, there is a need to address the environmental, economic, and human costs associated with the proliferation of plastic bag waste.

Accordingly, this bill seeks to discourage the use of single-use plastic bags by imposing an excise tax of One Hundred Pesos (Php100.00) per kilogram on plastic bags removed from the place of production or released from customs custody. The proposed measure seeks to utilize the State's power of taxation not

¹ Facts and Figures. Retrieved from: accessed on September 23, 2026.

merely as a fiscal instrument, but also as a means of encouraging changes in consumer and industry behavior and promoting the adoption of more sustainable alternatives.

Through this measure, the State may help reduce the consumption of single-use plastic bags, mitigate the adverse environmental and public-health consequences associated with plastic waste, and promote more sustainable patterns of production and consumption. It is likewise consistent with the State's responsibility to protect and advance the people's constitutional right to a balanced and healthful ecology.

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

A handwritten signature in black ink, appearing to read 'Keith Micah' followed by a stylized flourish.

Keith Micah "Atty. Mike" D.L. Tan
4th District, Quezon

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

SECTION 1. Short Title. - This Act shall be known as the "Single-Use Plastic Bags Tax Act."

SEC. 2. Declaration of Policy. - It is hereby declared the policy of the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature through the proper exercise of its power of taxation.

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

"SEC. 150-C. SINGLE-USE PLASTIC BAGS. -

(A) RATE AND BASE OF TAX. - THERE SHALL BE LEVIED, ASSESSED AND COLLECTED AN EXCISE TAX IN THE AMOUNT OF ONE HUNDRED PESOS (PHP100.00) FOR EVERY KILOGRAM OF SINGLE-USE PLASTIC BAG REMOVED FROM THE PLACE OF PRODUCTION OR RELEASED FROM THE CUSTODY OF THE BUREAU OF CUSTOMS.

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

SINGLE-USE PLASTIC BAGS SHALL REFER TO 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.

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

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

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

"SEC. 288. Disposition of Incremental AND OTHER Revenues. -

(A) xxx

(B) xxx

(C) xxx

(D) xxx

(E) xxx

(F) xxx

(G) xxx

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

THE INCREMENTAL REVENUES FROM THE IMPOSITION OF THE EXCISE TAX ON SINGLE-USE PLASTIC BAGS SHALL BE ALLOCATED TO PROGRAMS OF THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES FOR THE IMPLEMENTATION OF REPUBLIC ACT NO. 9003, OTHERWISE KNOWN AS THE 'ECOLOGICAL SOLID WASTE MANAGEMENT ACT OF 2000' IN MUNICIPALITIES."

Sec. 5. *Implementing Rules and Regulations.* - Within sixty (60) days from the effectivity of this Act, the Secretary of Finance shall, upon the recommendation of the Commissioners of the Bureau of Internal Revenue and the Bureau of

Customs and, in consultation with the Department of Environment and Natural Resources, issue and promulgate rules and regulations for the effective implementation of this Act.

SEC. 6. *Separability Clause.* - If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SEC. 7. *Repealing Clause.* - All laws, decrees, executive orders, rules, and regulations or parts thereof which are contrary to or inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 8. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,