A House Resolution
Urging President Rodrigo Roa Duterte to Immediately Suspend the Imposition of the Excise Tax on Petroleum Products provided in RA 10963

WHEREAS, R.A. 10963 or the Tax Reform for Acceleration and Inclusion (TRAIN), as the first package of the comprehensive tax reform program (CTRP), seeks to correct a number of deficiencies in the tax system that will make it simpler, fairer, and more efficient.

WHEREAS, Section 43 of the TRAIN law provides for the increase in excise tax on all petroleum products including oil and fuel with a staggered schedule of increases beginning 2018 until 2020;

WHEREAS, the country is a net importer and buyer of petroleum products. For nine weeks straight, local oil prices have risen;

WHEREAS, Data from the Department of Energy (DOE) showed that the recent oil price hike resulted in a year-to-date adjustment that brought total net price increase per liter of unleaded gasoline to P19.65, P18 for diesel, and P15.49 for kerosene, inclusive of the 12% Value Added Tax;

WHEREAS, the increases added up to P7.30 per liter in unleaded gasoline costs and P8.65 per liter in diesel.
WHEREAS, the COVID-19 pandemic has resulted to outrageous price hike of basic commodities, loss of jobs, and close down of a number of businesses;

WHEREAS, Public utility vehicle operators and drivers, commuters, and consumers are bearing the brunt of the string of oil price increases.

WHEREAS, under Presidential Proclamation No. 1218, the government can suspend the collection of the excise taxes on petroleum products until the crude oil prices ease.

WHEREAS, to cushion the socioeconomic impact of the pandemic, a 50-percent reduction in fuel excise tax can lower the power generation cost.

WHEREAS, the suspension of excise tax on fuel products can help Filipinos save the amount of P10.00 for gasoline, P6.00 for diesel and kerosene, and P3.00 per kilo on an 11-kg LPG cylinder, exclusive of the 12% VAT.

WHEREAS, the approximate 50% savings on the retail price for gasoline and 30% savings for diesel and kerosene will help consumers especially the public utility vehicle operators and drivers to save and earn more;

NOW THEREFORE, BE RESOLVED, AS IT IS HEREBY RESOLVED by the House of Representatives to immediately suspend the imposition of excise tax imposed on petroleum products as mandated by Section 43 of RA (Republic Act) No. 10963, otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN).

Adopted,

ATTY. JESUS "BONG" C. SUNTAY