

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**NINETEENTH CONGRESS**  
First Regular Session

HOUSE BILL No. 258



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Introduced by  
**KABATAAN Party-list Representative RAOUL DANNIEL A. MANUEL,**  
**ACT TEACHERS Party-list Representative FRANCE L. CASTRO, and**  
**GABRIELA Women's Party Representative ARLENE D. BROSAS**

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**AN ACT**  
**IMPOSING A 'SUPER-RICH TAX' ON INDIVIDUALS WITH NET VALUE ASSETS**  
**EXCEEDING ONE BILLION PESOS (P1,000,000,000.00), AMENDING FOR THE**  
**PURPOSE CERTAIN PROVISIONS OF THE NATIONAL INTERNAL REVENUE**  
**CODE OF 1997 OR REPUBLIC ACT 10963 AS AMENDED**

**EXPLANATORY NOTE**

In 2018, a scandalously minuscule 0.8 percent of Filipino families have a monthly income of one hundred forty thousand (140,000) to eight (8) million pesos. Only 596 Filipinos corner most of the country's wealth, each having approximately Php2.5 billion or more in riches. With these large incomes, the 50 wealthiest Filipinos' net worth grew by 30% to Php4 trillion even amidst a raging pandemic. By 2021, the 17 wealthiest in our country made it to the Annual Forbes List of the world's richest individuals.


On the other hand, 29 percent or over six million Filipino families live on a monthly income of ten thousand pesos or less. For two decades the basic salaries and wages of workers nationwide were virtually stagnant, slightly increasing only to adjust for inflation. This large difference in incomes results in a similarly large difference in wealth, with the richest 50 owning more wealth than the poorest 71 million Filipinos combined or one-half of the one-hundredth of a percent (0.005%) of the population owning as much as the poorest two-thirds (65%).

Philippine taxation for the longest time has been largely collected from what people pay for, what they consume, or from what they earn, and has never implemented a tax on large fortunes. Hence, this bill proposes a tax on the super-rich. A tax of 1% on wealth above Php1 billion, 2% on wealth above Php2 billion, and 3% over Php3 billion is hereby proposed. This tax will raise Php236.7 billion annually just from the 50 richest Filipinos alone who by any standard are those who can best afford to pay much higher taxes.

The billions in revenue from this tax would aid the government in pursuing its anti-poverty measures and other social programs that would help in closing the widening divide between the rich and the poor.

This tax would further help shift the burden away from regressive consumption taxes toward the handful of the wealthiest who can contribute more to our public coffers.

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



**RAOUL DANIEL A. MANUEL**  
Kabataan Partylist



**ARLENE D. BROSAS**  
Gabriela Women's Party



**FRANCE L. CASTRO**  
Act Teachers Partylist

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**CODE OF 1997 OR REPUBLIC ACT 10963 AS AMENDED**

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

1 **SECTION 1. Title.** This act shall be known as the "Super-Rich Tax Act of 2022 "

2  
3 **SECTION 2.** The National Internal Revenue Code of 1997 is hereby amended by the  
4 insertion of the following section to be designated as Sec. 27 as follows:

5  
6 **"SEC. 27. INDIVIDUAL WEALTH TAX. –**

7 **(A) AN INDIVIDUAL WEALTH TAX IS HEREBY IMPOSED**

8  
9 **(1) ON THE NET VALUE OF ALL TAXABLE ASSETS OF THE**  
10 **TAXPAYER AS DEFINED IN SEC. 33 OF THIS CODE,**  
11 **PROVIDED THAT THE NET VALUE OF TAXABLE ASSETS OF**  
12 **THE TAXPAYER EXCEEDS ONE BILLION PESOS**  
13 **(P1,000,000,000.00) AS DEFINED IN SUBSECTION (B) OF**  
14 **THIS SECTION, DERIVED FROM EACH TAXABLE YEAR**  
15 **FROM ALL SOURCES WITHIN AND WITHOUT THE**  
16 **PHILIPPINES BY EVERY INDIVIDUAL CITIZEN OF THE**  
17 **PHILIPPINES RESIDING THEREIN;**

18  
19 **(2) ON THE NET VALUE OF ALL TAXABLE ASSETS OF THE**  
20 **TAXPAYER AS DEFINED IN SEC. 33 OF THIS CODE,**  
21 **PROVIDED THAT THE NET VALUE OF TAXABLE ASSETS OF**  
22 **THE TAXPAYER EXCEEDS ONE BILLION PESOS**  
23 **(P1,000,000,000.00) AS DEFINED IN SUBSECTION (B) OF**  
24 **THIS SECTION, DERIVED FROM EACH TAXABLE YEAR**  
25 **FROM ALL SOURCES WITHIN THE PHILIPPINES BY AN**

1 INDIVIDUAL CITIZEN OF THE PHILIPPINES WHO IS  
2 RESIDING OUTSIDE OF THE PHILIPPINES INCLUDING  
3 OVERSEAS CONTRACT WORKERS REFERRED TO IN  
4 SUBSECTION(C) OF SECTION 23 HEREOF; AND  
5

6 (3) ON THE NET VALUE OF TAXABLE ASSETS OF THE  
7 TAXPAYER AS DEFINED IN SECTION 33 OF THIS CODE,  
8 PROVIDED THAT THE NET VALUE OF TAXABLE ASSETS OF  
9 THE TAXPAYER EXCEEDS ONE BILLION PESOS  
10 (P1,000,000,000.00) AS DEFINED IN SUBSECTION (B) OF  
11 THIS SECTION, OTHER THAN ASSETS SUBJECT TO TAX  
12 UNDER SUBSECTIONS (B), (C), (D) OF SECTION 24 HEREOF,  
13 DERIVED FOR EACH TAXABLE YEAR FROM ALL SOURCES  
14 WITHIN THE PHILIPPINES BY AN INDIVIDUAL ALIEN WHO IS  
15 A RESIDENT OF THE PHILIPPINES.  
16

17 (B) RATES OF TAXABLE WEALTH OF INDIVIDUALS – THE TAX  
18 SHALL BE COMPUTED IN ACCORDANCE WITH AND AT THE  
19 RATES ESTABLISHED IN THE FOLLOWING SCHEDULE:

20 TAX SCHEDULE EFFECTIVE JANUARY 1, 2022 ONWARDS:  
21 WEALTH ABOVE P1,000,000,000.....1%  
22 WEALTH ABOVE P2,000,000,000.....2%  
23 WEALTH ABOVE P3,000,000,000.....3%  
24

25 FOR MARRIED INDIVIDUALS, THE HUSBAND AND WIFE,  
26 SHALL COMPUTE SEPARATELY THEIR INDIVIDUAL  
27 WEALTH TAX BASED ON THEIR RESPECTIVE TOTAL  
28 TAXABLE ASSETS: PROVIDED THAT IF ANY ASSET  
29 CANNOT BE ATTRIBUTED TO OR IDENTIFIED AS WEALTH  
30 EXCLUSIVELY ACCUMULATED OR REALIZED BY EITHER  
31 OF THE SPOUSES, THE SAME SHALL BE DIVIDED  
32 EQUALLY BETWEEN THE SPOUSES FOR THE PURPOSE OF  
33 DETERMINING THEIR RESPECTIVE TAXABLE WEALTH.  
34

35 **SECTION 3.** The National Internal Revenue Code of 1997 is hereby further amended  
36 by the insertion of the following section to be designated as Sec. 33 under Title II,  
37 Chapter VI:  
38

39 **“TITLE II**  
40 **CHAPTER VI**

41  
42 **SEC. 33. SUPER-RICH TAX DEFINED –** THE TERM ‘NET VALUE OF TAXABLE  
43 **ASSETS’** MEANS THE MARKET VALUE OF ASSETS OWNED BY A TAXPAYER,  
44 **REAL OR PERSONAL, TANGIBLE OR INTANGIBLE, WHEREVER SITUATED,**  
45 **REDUCED BY ANY DEBTS OWED BY THE TAXPAYER.”**  
46

47 **SECTION 4.** The National Internal Revenue Code of 1997 is hereby further amended  
48 by the insertion of the following section to be designated as Sec. 292 under Title XI,

1 Chapter II:

2  
3 "TITLE XI  
4 CHAPTER II

5  
6 **SEC. 292. DISPOSITION OF PROCEEDS OF SUPER-RICH TAX – THE**  
7 **PROVISIONS OF EXISTING LAWS TO THE CONTRARY NOTWITHSTANDING,**  
8 **ONE HUNDRED PERCENT (100%) OF THE TOTAL REVENUES COLLECTED**  
9 **FROM THE SUPER-RICH TAX SHALL BE ALLOCATED AND USED**  
10 **EXCLUSIVELY IN THE FOLLOWING MANNER:**

11  
12 (A) **SIXTY PERCENT (60%) SHALL BE ALLOCATED NATIONWIDE, BASED ON**  
13 **POLITICAL AND DISTRICT SUBDIVISIONS, FOR MEDICAL ASSISTANCE,**  
14 **THE HEALTH FACILITIES ENHANCEMENT PROGRAM (HFEP), THE**  
15 **ANNUAL REQUIREMENTS OF WHICH SHALL BE DETERMINED BY THE**  
16 **DOH; AND**

17  
18 (B) **FORTY PERCENT (40%) SHALL BE ALLOCATED TO SOCIAL MITIGATING**  
19 **MEASURES AND INVESTMENTS IN: (I) EDUCATION, (II) SOCIAL**  
20 **PROTECTION, (IV) EMPLOYMENT, AND (V) HOUSING THAT PRIORITIZE**  
21 **AND DIRECTLY BENEFIT BOTH THE POOR AND NEAR-POOR**  
22 **HOUSEHOLDS.”**

23  
24 **SECTION 5. *Separability Clause***—If any provisions of this Act are declared invalid  
25 or unconstitutional, other provisions hereof which are not affected shall continue to be  
26 in full force and effect.

27  
28 **SECTION 6. *Repealing Clause***—All laws, orders, issuances, rules, and regulations  
29 or part thereof inconsistent with the provisions of this Act are hereby repealed,  
30 amended, or modified accordingly.

31  
32 **SECTION 7. *Effectivity Clause***. This Act shall take effect within fifteen (15) days after  
33 its publication in the Official Gazette or in at least two (2) newspapers of general  
34 circulation, whichever comes earlier.

35  
36  
37 *Approved,*