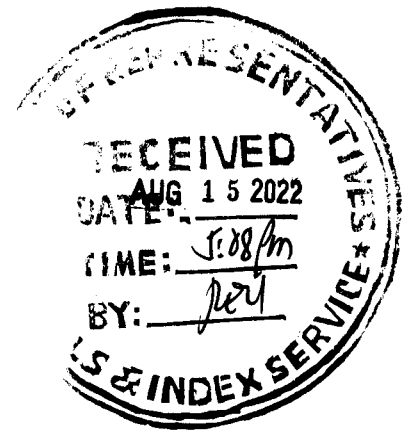


**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City**

**NINETEENTH CONGRESS
First Regular Session
3628
House Bill No. _____**



**Introduced by Representative
LEODY "ODIE" F. TARRIELA**

EXPLANATORY NOTE

On December 19, 2017, Republic Act No. 11469 or the Tax Reform for Acceleration and Inclusion (TRAIN), was enacted for the purpose of generating additional revenues to finance the Build, Build, Build and other programs of the government. It was to ensure that the government is able to provide for the needs of the people through the provision of better infrastructure, health, education, jobs, and social protection. One of the amendment under the TRAIN Law was the imposition of excise taxes on almost petroleum products.

Due to the recent conflict between Russia and Ukraine, world crude prices has risen to almost US\$120 per barrel. As a result, local gasoline and diesel prices jacked up to more than Php80.00 per liter. Furthermore, the caused higher inflation rates which additional burden to our fellow constituents who are already facing drastic decrease in household income, if not joblessness, and other economic hardships, amidst the COVID-19 pandemic.

There was clamor for the government to control the spiraling of fuel prices to prevent further rise in the prices of basic and other commodities. Hence, this Representation's proposed course of action was the imposition of progressive rates for excise taxes on manufactured oils and other fuels, as follows:

Unleaded premium gasoline, per liter of volume capacity:

SELLING PRICE	EXCISE TAX
₱ 50.00 OR LESS	₱ 10.00
₱ 50.01 TO ₱ 55.0	₱ 9.00
₱ 55.01 TO ₱ 60.00	₱ 8.00
₱ 60.01 TO ₱ 65.00	₱ 7.00
₱ 65.01 TO ₱ 70.00	₱ 6.00
₱ 70.01 TO ₱ 75.00	₱ 5.00
₱ 75.01 AND HIGHER	₱ 4.00


Diesel fuel oil, and on similar fuel oils having more or less the same generating power, per liter of volume capacity:

SELLING PRICE	EXCISE TAX
₱ 50.00 OR LESS	₱ 6.00
₱ 50.01 TO ₱ 55.0	₱ 5.50
₱ 55.01 TO ₱ 60.00	₱ 5.00
₱ 60.01 TO ₱ 65.00	₱ 4.50
₱ 65.01 TO ₱ 70.00	₱ 4.00
₱ 70.01 TO ₱ 75.00	₱ 3.50
₱ 75.01 AND HIGHER	₱ 3.00

Under the proposed scheme, there is gradual decrease of excise tax rates as the fuel price increases which cushions the blow of the increase in the selling prices of petroleum products.

It cannot be denied that there is a need to arrest the continuous and drastic rises in the prices of petroleum products. It is necessary to protect the welfare and alleviate the burden of the consuming public, still reeling from the destructive effects of the COVID-19 pandemic. Nevertheless, there is also a need for a stable source of income for the government, especially as it jumpstarts an ailing economy.

It is in this view that the immediate passage of the bill is earnestly sought.


HON. LEODY "ODIE" F. TARRIELA
Representative

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

House Bill No. **3628**

INTRODUCED BY REPRESENTATIVE
LEODY “ODIE” F. TARRIELA

AN ACT
TO ARREST THE RISING COST OF PETROLEUM
PRODUCTS, PROTECT THE WELFARE AND
ALLEVIATE THE BURDEN OF THE CONSUMING
PUBLIC, BY IMPOSING PROGRESSIVE RATES ON
THE PAYMENT OF THE EXCISE TAXES ON
PETROLEUM PRODUCTS, AMENDING FOR THE
PURPOSE REPUBLIC ACT NO. 8424, OR THE
NATIONAL INTERNAL REVENUE CODE AS
AMENDED BY REPUBLIC ACT NO. 11469, OR THE
TAX REFORM FOR ACCELERATION AND
INCLUSION (TRAIN) LAW, AND FOR OTHER
PURPOSES

*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 “*Lower
Prices and Progressive Petroleum Excise Tax of 2022*”.

Sec. 2. *Declaration of Policy.* – The State shall promote the welfare
and alleviate the burden of the consuming public. It shall be its duty to
arrest the rising prices of petroleum products, which leads to increases in
the prices of basic and other commodities and services. The State shall

continue to have a stable source of revenue as it jumpstarts an economy ailed by the COVID-19 pandemic.

Sec. 3. Amendment of Section 148 of the National Internal Revenue Code. – Section 148 of Republic Act No. 8424, otherwise known as the National Internal Revenue Code of 1997, as amended by Section 43 of Republic Act No. 11469, otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) Act, is hereby further amended to read as follows:

Sec. 148. Manufactured Oils and Other Fuels. -

There shall be collected on refined and manufactured mineral oils and motor fuels, the following excise taxes which shall attach to the goods hereunder enumerated as soon as they are in existence as such:

Effective ~~{January}~~ **JULY 1, {2020} 2022**

"Xxx

"(f) Unleaded premium gasoline, per liter of volume capacity, [~~Ten pesos (P10.00)~~]:

SELLING PRICE	EXCISE TAX
P 50.00 OR LESS	P 10.00
P 50.01 TO P 55.0	P 9.00
P 55.01 TO P 60.00	P 8.00
P 60.01 TO P 65.00	P 7.00

₱ 65.01 TO ₱ 70.00 ₱ 6.00

₱ 70.01 TO ₱ 75.00 ₱ 5.00

₱ 75.01 AND HIGHER ₱ 4.00

"(h) Xxx;

"(i) Diesel fuel oil, and on similar fuel oils having more or less the same generating power, per liter of volume capacity, [~~Six pesos (₱6.00);~~];

SELLING PRICE	EXCISE TAX
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₱ 50.00 OR LESS	₱ 6.00
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₱ 50.01 TO ₱ 55.0	₱ 5.50
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₱ 55.01 TO ₱ 60.00	₱ 5.00
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₱ 60.01 TO ₱ 65.00	₱ 4.50
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₱ 65.01 TO ₱ 70.00	₱ 4.00
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₱ 70.01 TO ₱ 75.00	₱ 3.50
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₱ 75.01 AND HIGHER	₱ 3.00
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Xxx;

Sec. 4. *Separability Clause.* – If any provision of this Act is declared unconstitutional or otherwise invalid, the validity of the other provisions shall not be affected thereby.

Sec. 5. *Repealing Clause.* – All other laws, decrees, orders, rules and regulations, other issuances, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 6. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

APPROVED.