

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

**NINETEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 5176**



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Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

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**EXPLANATORY NOTE**


The Philippine Statistics Authority (PSA) estimates that most of the Filipino family's budget is allocated for fuel, water, and food. Unfortunately, due to geopolitical conflicts and development in world markets, fuel prices have been soaring in recent months. This has severely affected the Filipinos who are still recovering from the devastating impacts caused by the Covid-19 pandemic.

Compounding the burden brought by the current levels of inflation are taxes that add a significant amount to the price of fuel. Pursuant to Republic Act (RA) 10963, or the "Tax Reform for Acceleration and Inclusion" (Train) Law, the excise tax on regular and unleaded premium gasoline is currently set at P10.00 per liter of volume capacity while it is set at P6.00 on diesel fuel oil. On top of this is a Value Added Tax (VAT) of 12%. The taxes have resulted not just in the increase of the price of the fuel itself but also in other goods that rely on fuel for their operation.

There has been a clamor for the suspension of the excise taxes on fuel products. However, the authority granted under the TRAIN Law to suspend the collection of excise taxes on these products covered only the years 2018 to 2020.

This bill proposes to amend Section 148 of the National Internal Revenue Code to provide for the automatic suspension of the excise tax on regular gasoline, unleaded premium gasoline, and diesel fuel oil when the average Dubai crude oil price based on Mean of Platts Singapore (MOPS) reaches or exceeds USD 80 per barrel over a three-month period. It seeks to bring down the cost of fuel to provide instant relief to the Filipino people and to shield them from further adversities that may be caused by unforeseen economic downturns.

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

  
**LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

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**AN ACT**  
**PROVIDING FOR THE AUTOMATIC SUSPENSION OF EXCISE TAXES ON**  
**REGULAR GASOLINE, UNLEADED PREMIUM GASOLINE, AND DIESEL,**  
**AMENDING FOR THE PURPOSE SECTION 148 OF THE NATIONAL**  
**INTERNAL REVENUE CODE, AS AMENDED**

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

**SECTION 1. *Short Title.*** — Section 148 of the National Internal Revenue Code (NIRC), as amended, 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:

~~"[For the period covering 2018 to 2020,]"~~ THE ~~[scheduled increase in the]~~

excise tax on Fuel-I REGULAR GASOLINE, UNLEADED PREMIUM GASOLINE, AND DIESEL FUEL OIL as imposed in this Section shall be AUTOMATICALLY suspended when the average Dubai crude oil price based on Mean of Platts Singapore (MOPS) for three (3) months prior to the scheduled increase of the month reaches or exceeds Eighty dollars (USD 80) per barrel."

**SECTION 2. *Repealing Clause.*** — All laws, decrees, orders, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed and modified accordingly.

**SECTION 3. *Implementing Rules and Regulations.*** — Such rules and regulations as may be necessary to implement this Act shall be issue within thirty (30) days of its effectivity.

**SECTION 4. *Effectivity.*** —This Act shall take effect fifteen (15) days after its publication in the *Official Gazette*.

*Approved.*