

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**SEVENTEENTH CONGRESS**  
First Regular Session

HOUSE BILL NO. 86

HOUSE OF REPRESENTATIVES
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REGISTRATION UNIT BILLS AND INDEX SERVICE

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Introduced by: **HONORABLE SETH FREDERICK P. JALOSJOS**

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**AN ACT AMENDING SECTION 150 OF REPUBLIC ACT 8424, OTHERWISE KNOWN  
AS THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED**

**EXPLANATORY NOTE**

This is a re-filed bill under **HB 6150 - 16<sup>th</sup> Congress, Third Regular Session**. The **Committee on Ways and Means** has deliberated this bill represented by the resource persons from the **Department of Finance (DOF), Bureau of Internal Revenue (BIR), National Tax Research Center (NTRC) and the Cosmetics Industry (CCIP)**.

The consumption of beauty, hygiene and healthy products is rising in the Philippines even among the lower-income groups, according to a consumer research released in **2013**, and the fragrance industry has benefited from the changing lifestyle of Filipinos.

More that this consumer trend, the fragrance industry has contributed largely to the Philippine economy.

With the **ASEAN** integration by **2015**, where a single market and production base is envisioned leading to a free flow of goods, services, investment capital and skilled labour in the region, the country must remain or even improve its competitiveness in regional and global market.

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AS 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.** Section 150 of the National Internal Revenue Code, as amended, is hereby further amended to read as follows:

**"Sec. 150. Non-essential Goods.-**There shall be levied, assessed and collected a tax equivalent to twenty-percent (20%) based on the wholesale price or the value of importation used by the Bureau of Customs in determining tariff and customs duties, net of excise tax and value-added tax, of the following goods:

- (a) XXX
- (b) **Perfumes and Toilet Waters WITH PERFUME/ESSENTIAL OIL CONTENT OF MORE THAN THREE PERCENT (3%) BY AVERAGE WEIGHT.**

**SECTION 2.** Implementing Rules and Regulations.- The Commissioner of the Bureau of Internal Revenue (BIR) shall, within thirty (30%) days from the effectivity of this Act, issued the necessary rules and regulations for the implementation of this Act.

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**SECTION 2.** Implementing Rules and Regulations.- The Commissioner of the Bureau of Internal Revenue (BIR) shall, within thirty (30%) days from the effectivity of this Act, issued the necessary rules and regulations for the implementation of this Act.

**SECTION 3.** Separability clause.- If any provision of this Act is subsequently declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

**SECTION 4.** Repealing Clause.- All laws, decrees, orders, rules and regulations, and other issuances, or parts thereof, inconsistent with the provisions of this Act are hereby, repealed or modified accordingly.

**SECTION 5.** Effectivity Clause.- This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

**Approved.**