

# ANNEX

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Tuesday, May 23 2017 Plenary Session

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*Per motion of Rep. Dakila Carlo E. Cua, which was approved on the floor, the following is the text of the sponsorship speech of Rep. Romero “Miro” S. Quimbo for House Bill No. 5636, submitted for insertion in the Congressional Record:*

SPONSORSHIP SPEECH OF DEPUTY SPEAKER ROMERO “MIRO” S. QUIMBO  
FOR HOUSE BILL NO. 5636  
(Tax Reform for Acceleration and Inclusion)

Despite being an uphill battle, I, together with the Members of the Sixteenth Congress’ Committee on Ways and Means, fought to bring tax reform to our policy discourse and eventually pass it into law.

The previous Congress accomplished legislative milestones, most of which are fiscal policy reforms under the Committee on Ways and Means: the Tax Incentive Transparency Management Act (TIMTA), the adjustment of the ceiling for 13th Month Pay and Other Bonuses, Anti-Agricultural Smuggling Act, Cabotage Law and the Customs Modernization and Tariff Act. Notably though, the income tax reform is not part of the list despite the impetus for reform as seen through the glaring inequities of the tax system, particularly on personal income taxation. Unfortunately, even with the simple and immediate step of adjusting the tax brackets to inflation, our proposal was blocked by some stakeholders. The entry of a new administration, however, has brought with it a new policy and political environment more receptive to income tax reform.

The Bill before you today, House Bill 5636, is the result of numerous deliberations in the House Ways and Means Committee, as chaired by Rep. Dakila Cua. It is also a consolidation of all pending income tax reform bills, including my own House Bill No. 20. It proposes a reduction in income tax rates for our wage and salary workers who have long been bled dry by our flawed income tax system. It also proposes various measures to improve tax administration such as the adoption of an electronic reporting system for sales receipts and fuel marking to combat the smuggling of petroleum products.

As someone who has long advocated for reforms in our tax system, I can see how House Bill No. 5636, as a whole, can benefit the country. It is, however, my same extensive experience on the subject which compels me to draw attention to the potential pitfalls we might face if this tax reform bill is passed in its current form. I urge the DOF and my colleagues in Congress to revisit poorly targeted measures in the Bill such as the imposition of excise tax on LPG, kerosene and diesel, which will be shouldered mostly by low-income Filipinos. Before removing VAT exemptions for vulnerable sectors such as cooperatives and social housing, I call on the relevant agencies to first design and implement the programs, which they promise will better support these sectors compared to tax exemptions. And I continue to appeal for the adoption of a better scheme for the self-employed rather than the current, anti-poor proposal of a flat rate for everyone earning below the VAT threshold, regardless of their income level.

These are aspects of the Bill that I believe should be further discussed on the floor to ensure that the tax reform law we will pass is truly progressive, fair and equitable. There are three tests that I believe the proposed tax reforms must pass: 1) Are they designed to grow the middle class? 2) Are they pro-poor? 3) Are they supportive of economic growth?

We are in a policy tipping point. We must seize this convergence of policy players which took almost 20 years to build. The momentum we need for tax reform is upon us but we need to do it right. We must guarantee that the tax reform law that will come out of Congress will truly achieve genuine reform. As the voice of the people, we need to ensure that we will not shortchange the public for the trust and support they have given us for this advocacy.

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 ADDITIONAL COAUTHORS

Rep. Scott Davies S. Lanete, M.D. for House Bill No. 5576;  
 Rep. Christopher "Toff" Vera Perez De Venecia for House Bills No. 337 and 3953;  
 Rep. Elisa "Olga" T. Kho for House Bill No. 1404;  
 Rep. Jose Antonio "Kuya Jonathan" R. Sy-Alvarado for House Bills No. 1234, 5194, 5532, and 5549;  
 Rep. Jesus "Boying" F. Celeste for House Bills No. 1865 and 5577;  
 Rep. Gerald Anthony "Samsam" V. Gullas Jr. for House Bills No. 725, 5633, and 5648;  
 Rep. Alfredo A. Garbin Jr. for House Bills No. 3163, 4127, and 4767;  
 Rep. Jose Christopher Y. Belmonte for House Bills No. 4184 and 5225;  
 Rep. Salvador B. Belaro Jr. for House Bills No. 37, 338, 5006, and 5446;  
 Rep. Tom S. Villarín for House Bills No. 2622 and 2624;  
 Rep. Victor A. Yap for House Bills No. 4174, 5159, and 5269;  
 Rep. Carlos O. Cojuangco for House Bill No. 2648;  
 Rep. Manuel Jose "Mannix" M. Dalipe for House Bills No. 1439 and 5648;  
 Rep. Gus S. Tambunting for House Bills No. 725, 1396, 5244, 5319, 5501, 5513, and 5521;  
 Rep. Shernee Abubakar Tan for House Bill No. 5485;  
 Rep. Edgar Mary S. Sarmiento for House Bills No. 296 and 2542;  
 Rep. Munir M. Arbison for House Bills No. 4126, 5484, and 5485;  
 Rep. Joaquin M. Chipeco Jr. for House Bills No. 1871, 3556, and 4774;  
 Rep. Strike B. Revilla for House Bills No. 6 and 5068;  
 Rep. Gavini "Apol" C. Pancho for House Bill No. 4774;  
 Rep. Geraldine B. Roman for House Bill No. 5633;  
 Rep. Michelle M. Antonio for House Bill No. 5659;  
 Rep. Mark O. Go for House Bill No. 4106;  
 Rep. Marlyn L. Primicias-Agabas for House Bill No. 5661;  
 Rep. Cesar V. Sarmiento for House Bill No. 177;  
 Rep. Manuel Luis T. Lopez for House Bill No. 5595;  
 Reps. Deogracias B. Ramos Jr. and Elisa "Olga" T. Kho for House Bill No. 5038;  
 Rep. Gary C. Alejano for House Bill No. 5615;  
 Rep. Bernadette "BH" Herrera-Dy for House Bill No. 5660;  
 Rep. Xavier Jesus D. Romualdo for House Bills No. 45 and 3781;  
 Rep. Fernando V. Gonzalez for House Bills No. 177 and 4174;  
 Rep. Rodel M. Batocabe for House Bill No. 5522;  
 Rep. Eleanor C. Bulut-Begtang for House Bill No. 4718;  
 Rep. Edward Vera Perez Maceda for House Bills No. 3 and 4710; and  
 Rep. Juliette T. Uy for House Bill No. 177.

## ROLLCALL

(Per Journal No. 96)

## PRESENT

Abaya	Almario	Baguilat	Biron
Abayon	Almonte	Banal	Bolilia
Abellanos	Alonte	Barzaga	Bondoc
Abu	Alvarez (P.)	Bataoil	Bordado
Abueg	Amatong	Batocabe	Bravo (A.)
Acop	Angara-Castillo	Bautista-Bandigan	Bravo (M.V.)
Acosta	Antonio	Belaro	Bulut-Begtang
Acosta-Alba	Aragones	Belmonte (J.C.)	Calderon
Advincula	Arbison	Benitez	Calixto-Rubiano
Agarao	Arcillas	Bernos	Caminero
Aggabao	Arenas	Biazon	Canama
Alejano	Atienza	Billones	Cari

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Casilao	Ferrer (L.)	Martinez	Salon
Castelo	Ferriol-Pascual	Matugas	Sambar
Castro (F.L.)	Flores	Mercado	Sandoval
Castro (F.H.)	Fortuno	Mirasol	Sarmiento (C.)
Catamco	Fuentebella	Montoro	Sarmiento (E.M.)
Cayetano	Garbin	Nava	Savellano
Celeste	Garcia (G.)	Nieto	Siao
Ceramica	Garcia (J.E.)	Noel	Singson
Cerilles	Gasataya	Nogralas (K.A.)	Suansing (E.)
Chavez	Gatchalian	Nolasco	Suansing (H.)
Chipeco	Geron	Nuñez-Malanyaon	Suarez
Co	Go (A.C.)	Oaminal	Sy-Alvarado
Cojuangco	Go (M.)	Ong (E.)	Tambunting
Collantes	Gonzaga	Ong (H.)	Tan (A.)
Cortes	Gonzales (A.P.)	Ortega (P.)	Tan (M.)
Cortuna	Gonzales (A.D.)	Ortega (V.N.)	Tejada
Cosalan	Gonzalez	Pacquiao	Teves
Crisologo	Gullas	Paduano	Ting
Cua	Hernandez	Palma	Tinio
Cuaresma	Herrera-Dy	Pancho	Ty
Cueva	Hofer	Panganiban	Umali
Dalipe	Javier	Panotes	Ungab
Daza	Kho	Papandayan	Unico
De Jesus	Lacson	Pimentel	Uy (R.)
De Venecia	Lagman	Pineda	Uybarreta
De Vera	Lanete	Primicias-Agabas	Vargas
Defensor	Lazatin	Quimbo	Vargas-Alfonso
Del Mar	Leachon	Radaza	Velasco-Catera
Del Rosario	Limkaichong	Ramirez-Sato	Veloso
Deloso-Montalla	Lobregat	Ramos	Vergara
Durano	Lopez (B.)	Relampagos	Villafuerte
Dy	Lopez (M.L.)	Robes	Villanueva
Eriguel	Loyola	Rodriguez (I.)	Villaraza-Suarez
Ermita-Buhain	Madrona	Rodriguez (M.)	Villarica
Escudero	Mangaoang	Romualdo	Yap (M.)
Espina	Mangudadatu (Z.)	Roque (R.)	Yap (V.)
Espino	Marcoleta	Sacdalan	Yu
Estrella	Marcos	Sagarbarria	Zamora (R.)
Evardone	Mariño	Salimbangon	Zarate
Fariñas	Marquez	Salo	Zubiri
Fernando			

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