

EIGHTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 8301

EXPLANATORY NOTE

Section 4(o) of Republic Act No. 11469 or the "Bayanihan to Heal As One Act" provided for the exemption from import duties, taxes, and other fees of all importation of critical or needed medical equipment or supplies to combat the COVID-19 pandemic.

Under Section 4(cc) of Republic Act No. 11491, known as "Bayanihan 2", the exemption from import duties, taxes, and other fees of critical or needed medical equipment or supplies to combat the COVID-19 pandemic shall be determined by the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC). However, the implementing rules and regulations released by the BIR and the BOC have yet to include a clear exemption on the acquisition and purchase of the COVID-19 vaccines.

Clearly, a crucial part of the fight against the COVID-19 pandemic is the vaccination process of a significant part of the population to attain herd immunity. While the Philippine government, through the House of Representatives and the Senate, has passed a budget of Php72.5 billion for COVID-19 vaccines to cover 30%-50% of the Philippine population for 2021; it is still not enough to attain herd immunity (above 50% of the population).

From the onset of the pandemic, the private sector has played a key role alongside the Philippine government in addressing the social and economic fallout of the COVID-19 pandemic. The private sector has helped acquire protective gear for front liners, medical supplies, and other necessities needed our fellow Filipinos to combat the pandemic. And we are confident the private sector will continue to work alongside the government as we enter the vaccination process to complete our defense against the COVID-19 pandemic. Many companies from the private sector have expressed interest in acquiring and purchasing vaccines for their employees and their dependents to move towards higher productivity, employment and income for employees. A tax exemption on the acquisition and purchase of the vaccines shall provide for ease and affordability in its procurement; resulting to more Filipinos protected against the virus.

While it is vital that the private sector be allowed to purchase vaccines for their employees resulting to a boost in employment and the economy; it is equally as important to exempt the acquisition and purchase of these vaccines from taxes as this is an urgent national matter of public health, employment, and economic recovery. We cannot stress enough how every doze of vaccine is significant for every single Filipino who has faced grave challenges during the pandemic. As public servants, it is our basic duty and is of highest urgency to prioritize the speedy procurement and administration of the vaccines to all Filipinos.

In view of the foregoing, immediate approval of this measure is earnestly requested.


RUFUS B. RODRIGUEZ

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AN ACT

EXEMPTING THE COVID-19 VACCINE FROM IMPORT DUTIES, TAXES, AND OTHER FEES FOR PRIVATE SECTOR EMPLOYEES AND DEPENDENTS

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

SECTION 1. COVID-19 Vaccine Exemption from Import Duties, Taxes, and Other Fees for the Private Sector for their Employees. The importation of COVID-19 vaccines by the private sector shall be exempt from customs duties, value-added tax, excise tax and other fees; *provided*, that the vaccines acquired shall be for use of their employees and dependents only and not for commercial distribution.

SEC 2. Implementing Rules and Regulations. The Department of Finance, Bureau of Internal Revenue, and Bureau of Customs shall promulgate the rules and regulations necessary for the implementation of this Act within a period of fifteen (15) days after its effectivity.

SEC 3. Repealing Clause. All laws, decrees, rules and regulations, and other issuances inconsistent with this Act are hereby repealed or modifying accordingly.

SEC 4. Effectivity. This Act shall take effect immediately upon its approval.

Approved,