

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

EIGHTEENTH CONGRESS
Third Regular Session

House Bill No. 9891



Introduced by REPRESENTATIVE JOEY SARTE SALCEDA

**AN ACT
EXEMPTING MONETARY DONATIONS AND REWARDS IN FAVOR
OF NATIONAL ATHLETES AND COACHES FROM TAXES,
AMENDING FOR THE PURPOSE SECTION 4 OF REPUBLIC ACT NO. 10699**

EXPLANATORY NOTE

On July 26, 2021, Sgt. Hidilyn Diaz won the gold medal at the 2020 Summer Olympics in Tokyo, making history by winning the first ever gold medal won by a Filipino athlete since the country's first appearance in the Olympics in 1924. In addition to this unprecedented feat, Diaz also set new Olympic weightlifting records by lifting 127kg in the Clean and Jerk and lifting a total weight of 224kg.

In the days after the Sgt. Diaz's win, the Philippines also has a strong chance of achieving more medals, making this the first time in decades that the country is set to win multiple medals at the same Olympic games.


The honor that Filipino athletes have brought to the country this year is immense and historic. So unprecedented is this honor that it appears our laws were unable to anticipate the outpouring of material solidarity from different sectors of society for our winning athletes and coaches.

In view of the need to recognize this historic win, and to express the State's solidarity and congratulations for our winning athletes and coaches, this bill will exempt rewards for national athletes and coaches who compete or win in international sports competitions from any and all taxes, fees, and charges.


The bill also ensures that the failure to issue revenue regulations providing the implementing mechanisms for the exemption will not preclude the provision from being implemented. This guarantees that no administrative omission will prevent the athletes and coaches from availing of the benefit.

Considering the negligible foregone taxes from such gifts, and considering that the representations these athletes and coaches make in international competitions are officially endorsed by, and made in behalf of, the State, these foregone revenues ultimately redound to the benefit of the State, whose goals and objectives these athletes and coaches promote.

In view of the foregoing, the approval of this bill is urgently sought.



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

SECTION 1. *Short title.* – This Act may also be referred to as the “Hidilyn Diaz Act of 2021.”

SEC. 2. *Declaration of principle.* – The State shall give priority to sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development. Towards this end, the State shall look after the welfare of national athletes and coaches competing for the country and by providing benefits and incentives for national athletes and other athletes who win in international sports competitions and bring honor and recognition to the country.

SEC. 3. *Exemption of monetary rewards and emoluments in favor of winning national athletes and coaches.* – Section 4 of Republic Act No. 10699 is hereby amended to read as follows:

SEC 4. **Benefits and Privileges for National Athletes and Coaches.** – Any national athlete and coach, as defined herein and who is currently registered as such, shall be entitled to the following:

a. The grant of twenty percent (20%) discount from all establishments relative to the utilization of transportation services, hotels and other lodging establishments, restaurants and recreation centers and purchase of medicine and sports equipment anywhere in the country for the actual and exclusive use or enjoyment of the national athlete and coach;

b. Minimum of twenty percent (20%) discount on admission fees charged by theaters, cinema houses and concert halls, circuses, carnivals, and other similar places of culture, leisure and amusement for the actual and exclusive use and enjoyment of the national athlete and coach;

c. Free medical and dental consultations in government hospitals and similar establishments anywhere in the country;

d. Coverage in the National Health Insurance Program (NHIP) of the Philippine Health Insurance Corporation (PHILHEALTH) through the sponsored program of the PSC;

e. A comprehensive social security program to be formulated by the Social Security System within one hundred eighty (180) days from the approval of this Act;

f. Priority in existing livelihood programs being undertaken by various government agencies subject to the guidelines and qualifications by the implementing body;

g. Priority in national housing programs, affordable “pabahay” loans and other housing opportunities subject to the guidelines and qualifications set by the National Housing Authority (NHA) or the Home Development Mutual Fund (HDMF); [and]

h. Use of living quarters and training centers set up and maintained by the PSC for the exclusive use of national athletes while preparing and training for international competitions[.] ;

I. EXEMPTION OF REWARDS, BONUSES, AND OTHER FORMS OF EMOLUMENTS IN FAVOR OF NATIONAL ATHLETES AND COACHES WHO COMPETE OR WIN INTERNATIONAL SPORTS COMPETITIONS AS DEFINED IN THIS ACT FROM ANY AND ALL TAXES, FEES, AND CHARGES LEVIED BY ANY GOVERNMENT AGENCY, LOCAL OR NATIONAL, SUBJECT TO THE RULES AND REGULATIONS TO BE ISSUED BY THE SECRETARY OF FINANCE, AS RECOMMENDED BY THE COMMISSIONER OF INTERNAL REVENUE: *PROVIDED*, THAT THE FAILURE OF THE BUREAU OF INTERNAL REVENUE TO PROMULGATE RULES AND REGULATIONS FOR THIS PARAGRAPH SHALL NOT PRECLUDE THIS PARAGRAPH FROM BEING CARRIED OUT. *PROVIDED FURTHER*, THAT THIS SECTION SHALL NOT BE IN LIEU OF ANY AND ALL TAX PRIVILEGES ALREADY EXERCISED BY NATIONAL ATHLETES AND COACHES, OR THE DONORS OF SUCH REWARD OR EMOLUMENTS.

Such privately-owned establishments shall enjoy tax deductions equivalent to the discounts extended to the national athletes and coaches under paragraphs (a) and (b) hereof, subject to the rules and regulations to be issued by the Secretary of Finance, as recommended by the Commissioner of Internal Revenue, within ninety (90) days upon the effectivity of this Act: Provided, That the failure of the Bureau of Internal Revenue (BIR) to promulgate the rules” and regulations shall not prevent the implementation of aforementioned benefits.

SEC. 4. *Implementing Rules and Regulations.* – The Secretary of Finance and the Commissioner of Internal Revenue shall promulgate the necessary implementing rules and regulations within thirty (30) days upon the effectivity of this Act. Nothing in this Act shall be construed as preventing government agencies from carrying out the provisions of Section 3 of this Act.

SEC. 5. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or parts thereof inconsistent with any provision of this Act are hereby repealed, amended, or modified accordingly.

SEC. 6. *Separability Clause.* – If, for any reason, any provision of this Act or any part thereof be declared unconstitutional and invalid, the other parts or provisions of this Act not affected thereby shall remain in full force and effect.

SEC. 7. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,