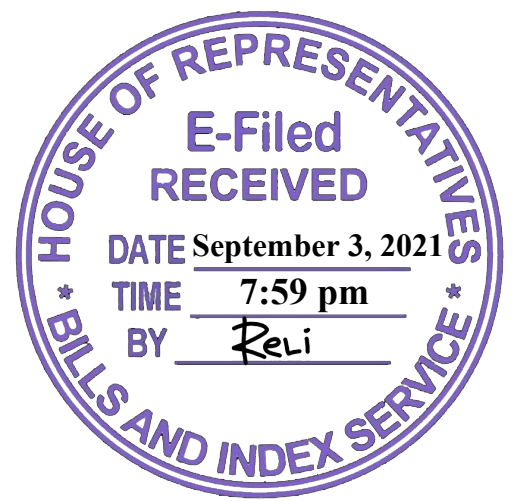


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10145



Introduced by **HON. JOY MYRA S. TAMBUNTING**

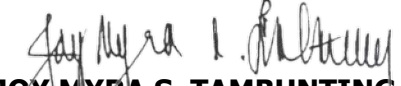
EXPLANATORY NOTE

Article II, Section 17 of the Constitution stresses that "the State shall give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development".

Article XIV, Section 19 of the 1987 Constitution likewise asserts that "the State shall promote physical education and encourage programs, league competitions and amateur sports, including training for international competitions, to foster self-discipline, teamwork, and excellence for the development of a health and alert citizenry."

To date, lack of funding remains to be the leading problem of athletes competing in national and international competitions. The financial struggle of our first and only Olympic Gold Medalist Hidilyn Diaz during her preparations for 2020 Tokyo Olympics reminds us of the country's inadequate support for its own athletes. Consistent with the above-mentioned constitutional mandates, this proposed measure seeks to enhance and fill the gaps in the government's youth and sports development programs by encouraging the private sector to support and contribute resources to abovementioned endeavors through tax exemption.

On behalf of the people of Parañaque City's Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.


REP. JOY MYRA S. TAMBUNTING
2nd District, Parañaque City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10145

Introduced by **HON. JOY MYRA S. TAMBUNTING**

AN ACT
EXEMPTING FROM TAX ALL DONATIONS, GRANTS, ENDOWMENTS, OR
CONTRIBUTIONS USED ACTUALLY, DIRECTLY, AND EXCLUSIVELY FOR
GOVERNMENT'S YOUTH AND SPORTS DEVELOPMENT PROGRAMS AND SPORTS
COMPETITIONS

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

Section 1. Short Title. – This Act shall be known as the "Tax Exemption for Donations for Youth and Sports Development Act"

Sec. 2. Declaration of Policy. – The State prioritizes education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development. The State also promotes physical education and encourages sports programs, league competitions, and amateur sports, including training for international competitions, to foster self-discipline, teamwork, and excellence for the development of a healthy and alert citizenry. Moreover, all educational institutions shall undertake regular sports activities throughout the country in cooperation with athletic clubs and other sectors. Towards this end, the State shall foster the participation of the private sector in youth and sports development through voluntary sharing of resources.

Sec. 3. Definition of Terms. – For purposes of this Act, the following terms shall be defined as follows:

- a) Public educational institutions – refer to all organizations established by the government primarily for the education of students, whether in the primary, secondary or tertiary level;
- b) Tax exemption – refers to measures exempting taxpayers, whether individuals or entities, from the payment of tax, including Donor's Tax and all other taxes and fees, arising from and related to the donation, grant, endowment, or contribution of money, or property for youth and sports development and sports competitions; and
- c) Sports competitions – refer to sports competitions sanctioned and funded by the government at the national and international levels that aim to develop Filipino athletes, enable them to gain experience and improve their performance, and to promote sports in general.

Sec. 4. Tax Exemption. – The provision of any law to the contrary notwithstanding, all donations, grants, endowments or contributions to youth and sports development programs and activities of public educational institutions, local government units and other government agencies in charge of youth and sports development, as well as government-sanctioned and -funded sports competitions at the national and international levels shall be exempt from tax and shall be deductible from the taxable income of the donor; Provided, that such donations, grants, endowments, or contributions are used actually, directly, and exclusively for youth and sports development and government-sanctioned and -funded sports competitions.

Sec. 5. Effect on Existing Exemptions. – Any exemptions enjoyed by the donor under any existing law shall not be impacted by an action performed by the same donor to effect a donation to public educational institutions, local government units and other government agencies in charge of youth and sports development.

Sec. 6. Valuation. – For purposes of this Act, the equivalent monetary value of properties donated, granted, endowed, or contributed shall be the acquisition cost of the property or the certified book value thereof. Such valuation shall take into consideration the depreciated value of the property in case the same has been previously used by the donor.

Sec. 7. Implementing Rules and Regulations. – The Department of Finance, Bureau of Internal Revenue and other concerned agencies shall promulgate and issue the Implementing Rules and Regulations within ninety (90) days upon approval of this Act.

Sec. 8. Separability Clause. – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision or part not otherwise affected shall remain valid and subsisting.

Sec. 9. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent with the provisions of this Act are hereby repealed, modified, or amended accordingly.

Sec. 10. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,