

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Constitution Hills, Quezon City

SEVENTEENTH (17<sup>TH</sup>) CONGRESS  
First Regular Session

House Bill No. 4013



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Introduced by: REPRESENTATIVE ERIC L. OLIVAREZ

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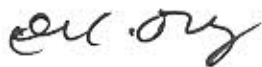
### EXPLANATORY NOTE

The prolonged use of non-organic or synthetic fertilizer has resulted in destructive residual effects especially to the soil, to the rivers, to animals and to inland fishing grounds and even causing cancer to human beings. The use of non-organic fertilizer should be discouraged and the use of organic fertilizer should be promoted, encouraged and supported. It has been demonstrated not only in experimental farms but in commercial scale that organic fertilizer is as good if not better than inorganic fertilizer.

As a measure of promoting the use of organic fertilizer, the cost of production must be maintained at such levels as will interest farmers and farm owners to use organic fertilizer. Incentives should also be provided to local manufacturers of organic fertilizer in order to induce the increased in its production and wide promotion and usage.

This bill proposes to extend certain benefits to the local producers of organic fertilizers for a number of years in the form of tax exemption from all kinds of taxes, imposts and duties whether local or national in order to provide them a headstart so that organic fertilizer can be made available to the farmers at a minimum cost to induce them to use it and for manufacturers to produce it.

In view of the perceived benefits of this bill, approval of this measure is earnestly recommended.

  
ERIC L. OLIVAREZ

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**AN ACT PROVIDING FOR INCENTIVES TO THE  
MANUFACTURING OF ORGANIC FERTILIZERS AND FOR  
OTHER PURPOSES**

*Be it enacted by Congress in session assembled.*

Section 1. Declaration of Policy. It is the declared policy of the state that the use of organic materials specially in agriculture be encouraged and promoted in order to contribute to the preservation of the ecological balance. Therefore the state shall extend the necessary incentives for the production and use of organic fertilizer.

Section 2. All local manufacturers of organic fertilizers shall be exempt from the payment of all kinds of taxes, imposts or duties whether local or national within a period of five (5) years, provided that the exemption shall cover only equipment, material, components, supplies, used directly in the production and distribution of such products and the income derived from such activity.

Section 3. In addition to the foregoing incentives, manufacturers of organic fertilizers shall be given preferential treatment by government owned or controlled banking or financial institutions in the processing of loan applications, liberalized terms of payment and interest rates.

Section 4. All laws decrees, order, rules and regulations and other issuances or parts thereof related to the same subject matter are considered modified, amended, revised or supplemented by this act.

Section 5. This act shall take effect after its publication once a week for two consecutive weeks in a newspaper of national circulation.

Approved,