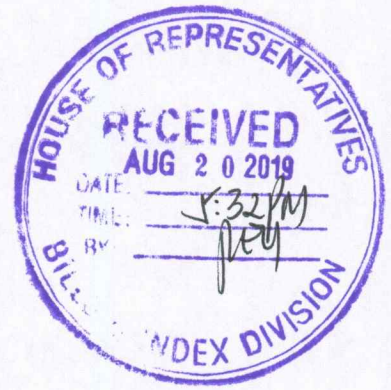


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session



House Bill No. **4094**

Introduced by
ANAKALUSUGAN REPRESENTATIVE MICHAEL T. DEFENSOR

EXPLANATORY NOTE

The 1987 Constitution states that:

Article II, Section 15: The State shall protect and promote the right to health of the people and instill health consciousness among them.

Furthermore, it adds in Article XIII, Section 11 that: " The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the underprivileged sick, elderly, disabled, women, and children."

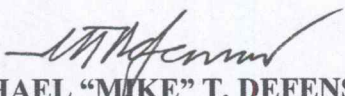
According to the Department of Health, the leading causes of death in the Philippines are heart diseases, diseases of the vascular system, pneumonias, malignant neoplasms/cancers, all forms of tuberculosis, accidents, COPD and allied conditions, diabetes mellitus, nephritis/nephritic syndrome and other diseases of respiratory system.¹ People suffering from other diseases would require maintenance medications to suppress the symptoms and prolong their lives. Aside from hardships in battling these diseases, the Filipino people are also having a hard time in acquiring maintenance medicines because of its price. The TRAIN law, or RA 11223, required the exemption of maintenance medicines for hypertension, diabetes and high

¹"DOH: Leading Cause of Mortality in the Philippines" <https://www.doh.gov.ph/node/1058>

cholesterol but this would not include other maintenance medicines that would be needed by other Filipinos who are suffering from other life-long illnesses.

This bill aims to make these medicines to be more affordable and accessible to the Filipino people. There shall be a more inclusive way to promote the right to health of the people.

Considering the foregoing reasons, the passage of this bill is earnestly requested.


MICHAEL "MIKE" T. DEFENSOR
Representative
ANAKALUSUGAN PARTY-LIST

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House Bill No. **4094**

Introduced by
ANAKALUSUGAN REPRESENTATIVE MICHAEL T. DEFENSOR

**AN ACT GRANTING EXEMPTION OF MAINTENANCE MEDICINES FROM
VALUE ADDED TAX**

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

1 Section. 1. *Short Title.* – This Act shall be known as the “Tax Free Maintenance
2 Medicines Act of 2019”

3 Sec. 2. *Declaration of Policy.* – It is the policy of the state to protect and promote the
4 right to health of the people and to ensure that each individual has access to information and
5 services that will bring about health and well-being. The state shall adopt an integrated and
6 comprehensive approach to health development which shall endeavor to make essential health
7 services available to all the people at an affordable cost. Aside from basic health services, the
8 state shall also seek to provide supplemental support to Filipinos suffering from debilitating
9 illnesses through affordable medications. In line with this, this act shall hereby declare the
10 exemption of maintenance medicines from value added tax.

11 Sec. 3. *Definition.*

12 *VAT Value Added Tax or VAT* - refers to the tax imposed and collected from the seller
13 in the course of trade or business on every sale of properties (real or personal), lease of goods
14 or properties (real or personal), or vendors of services. It is an indirect tax, thus, it can be passed
15 on to the buyer.

1 *Maintenance Medicines.* – The term “maintenance medicine” shall refer to any
2 medication that a person takes on a continuing process.

3 Sec. 4. *Coverage* - The Department of Health (DOH) shall submit to the Congress a list
4 of branded and generic maintenance medications to which this act shall apply. The exemption
5 shall be automatically applied upon purchase of the medication.

6 Sec. 5. *Repealing Clause.* - All laws, decrees, executive orders, and other presidential
7 issuances which are inconsistent with this Act are hereby repealed, amended or modified
8 accordingly.

9 Sec. 6. *Separability Clause.* – If, for any reason, any section or provisions of this Act is
10 held unconstitutional or invalid, the other sections or provisions hereof shall not be affected
11 thereby.

12 Sec. 7. *Effectivity.* - This Act take effect fifteen days (15) after its publication in at
13 least two (2) national newspapers of general circulation.

14 *Approved*