

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

17th Congress
Second Regular Session



COMMITTEE REPORT NO. 778

Submitted by the Committee on Ways and Means on MAY 30 2018

Re: House Bill No.3297

Recommending its approval without amendment, in consolidation with House Bill Nos. 1664, 3304, 3470, 4057 and 7133

Sponsor: Representative Dakila Carlo E. Cua

Mr. Speaker:

The Committee on Ways and Means to which were referred House Bill No. 1664 introduced by Rep. Ronald M. Cosalan, entitled:

“An Act Further Amending Sections 32 and 151 of Republic Act No. 8424, As Amended, Otherwise Known As The National Internal Revenue Code, To Exclude From Gross Income And Exempt From The Payment Of Excise Tax The Sale Of Gold By Small-scale Miners To The Bangko Sentral ng Pilipinas Pursuant To Republic Act No. 7076;”

House Bill No. 3297 introduced by Rep. Evelina G. Escudero, entitled:

“An Act Promoting Small Scale Mining By Exempting From The Payment Of Income and Excise Taxes The Sale Of Gold Pursuant To Republic Act No. 7076, Otherwise Known As The People’s Small Scale Mining Act, Amending For The Purpose Sections 32 and 151 Of The National Internal Revenue Code, As Amended, And For Other Purposes;”

House Bill No. 3304 introduced by Rep. Gloria Macapagal-Arroyo, entitled:

“An Act To Strengthen The Country's Gross International Reserves (GIR) Amending For The Purpose Sections 32 And 151 Of The National Internal Revenue Code, As amended, And For Other Purposes;”

House Bill No. 3470 introduced by Rep. Joseph Stephen S. Paduano, entitled:

“An Act Exempting Small-scale Miners From The Payment Of Income And Excise Taxes For The Sale Of Gold To The Bangko Sentral ng Pilipinas, Amending For The Purpose Presidential Decree No. 1158, As amended, Otherwise Known As The 'National Internal Revenue Code;”

House Bill No. 4057 introduced by Rep. Elisa "Olga" T. Kho, entitled:

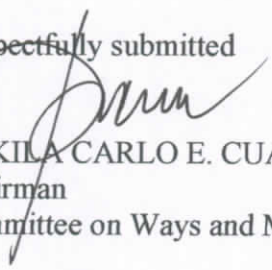
"An Act Amending Section 151 of Republic Act Number 8424, As Amended, Otherwise Known As The National Internal Revenue Code of 1997;"

and House Bill No. 7133 introduced by Representatives Pantaleon D. Alvarez, Rodolfo C. Fariñas and Dakila Carlo E. Cua, entitled:

"An Act To Strengthen The Country's Gross International Reserves (GIR), Amending For The Purpose Sections 32 And 151 Of The National Internal Revenue Code, As Amended, And For Other Purpose"

has considered the same and recommends the approval of House Bill No. 3297 without amendment in consolidation with House Bill Nos. 1664, 3304, 3470, 4057 and 7133 and with Representatives Evelina G. Escudero, Ronald M. Cosalan, Gloria Macapagal-Arroyo, Joseph Stephen S. Paduano, Elisa "Olga" T. Kho, Pantaleon D. Alvarez, Rodolfo C. Fariñas and Dakila Carlo E. Cua as authors thereof.

Respectfully submitted


DAKILA CARLO E. CUA
Chairman
Committee on Ways and Means

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY

FACT SHEET

House Bill No. 3297

AN ACT PROMOTING SMALL SCALE MINING BY EXEMPTING FROM THE PAYMENT OF INCOME AND EXCISE TAXES THE SALE OF GOLD PURSUANT TO REPUBLIC ACT NO. 7076, OTHERWISE KNOWN AS THE PEOPLE'S SMALL SCALE MINING ACT, AMENDING FOR THE PURPOSE SECTION 32 AND 151 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, AND FOR OTHER PURPOSES

Introduced by Rep. Evelina G. Escudero

Committee Referral: Committee on Ways and Means

Committee Chairperson: HON. DAKILA CARLO E. CUA

OBJECTIVES

- To enable the Bangko Sentral ng Pilipinas (BSP) to build up the country's gross international reserves (GIR) by buying domestically produced gold from small-scale miners using pesos;
- To assist the BSP in the fulfillment of its mandate under its charter, returning to the formal sector the sale of gold from small scale mining; and
- To support the trade of small-scale miners as originally envisioned under R.A. No. 7076

KEY PROVISIONS:

- Mandates that the income derived from the sale of gold to the BSP by registered small-scale miners, as defined under Republic Act No.7076, and accredited traders; and the sale of gold by registered small-scale miners to accredited traders for eventual sale to the Bangko sentral ng Pilipinas shall not be included in gross income and shall be exempt from taxation;
- Mandates that the gold which is sold, or eventually sold to the BSP shall be exempt from the payment of excise tax. A taxpayer who had paid excise tax prior to the sale of gold to the BSP may file a claim for refund or credit with the Commissioner for the excise tax paid.

- Authorizes the grant of the same tax treatment given to the direct sale of gold to the BSP by registered small-scale miners, as defined under R.A. No. 7076, to accredited traders for eventual sale to BSP.
- Presumes that the gold sold to the BSP by accredited traders had been purchased by said traders from small-scale miners.

RELATED LAWS:

- Republic Act No. 8424, otherwise known as the National Internal Revenue Code of 1997, as amended; and
- Republic Act No. 7076, otherwise known as "An Act Creating A People's Small Scale Mining Program And For Other Purposes"