

HOUSE OF REPRESENTATIVES

H. No. 3297

BY REPRESENTATIVES ESCUDERO, COSALAN, MACAPAGAL-ARROYO,  
PADUANO, KHO, ALVAREZ (P.), FARINAS, CUA, BRAVO (M.V.),  
LOPEZ (M.L.), VILLARICA, ANTONINO, NIETO, TAMBUNTING,  
SANGCOPAN, CALALANG AND AMANTE

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

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

SECTION 1. *Amendment of Section 32 of the National Internal  
Revenue Code.* – Section 32(B)(7) of the National Internal Revenue  
Code of 1997, as amended, is hereby further amended to read as  
follows:

“SEC. 32. *Gross Income.* –

“x x x

“(B) *Exclusions from Gross Income.* – The following  
items shall not be included in gross income and shall be  
exempt from taxation under this title:

“x x x

“(7) *Miscellaneous Items.* –

“x x x

“(I) *INCOME DERIVED FROM THE SALE OF GOLD  
PURSUANT TO REPUBLIC ACT NO. 7076.* – INCOME  
DERIVED FROM THE FOLLOWING TRANSACTIONS  
PURSUANT TO REPUBLIC ACT NO. 7076, OTHERWISE  
KNOWN AS THE “PEOPLE’S SMALL-SCALE MINING ACT  
OF 1991”:

(1) THE SALE OF GOLD TO THE BANGKO SENTRAL  
NG PILIPINAS BY REGISTERED SMALL-SCALE MINERS, AS  
DEFINED UNDER REPUBLIC ACT NO. 7076, AND  
ACCREDITED TRADERS; AND

(2) THE SALE OF GOLD BY REGISTERED SMALL-  
SCALE MINERS TO ACCREDITED TRADERS FOR EVENTUAL  
SALE TO THE BANGKO SENTRAL NG PILIPINAS.

SEC. 2. *Amendment of Section 151 of the National Internal  
Revenue Code.* – Section 151 of the National Internal Revenue  
Code of 1997, as amended, is hereby further amended to read as  
follows:

“SEC. 151. *Mineral Products.* –

“x x x

“(C) NOTWITHSTANDING THE FOREGOING, GOLD  
WHICH IS SOLD, OR EVENTUALLY SOLD, TO THE  
BANGKO SENTRAL NG PILIPINAS, IN ACCORDANCE WITH  
SECTION 32(B)(7)(i), SHALL BE EXEMPT FROM THE  
PAYMENT OF EXCISE TAX: *PROVIDED, HOWEVER,* THAT IF  
THE EXCISE TAX DUE THEREON HAD BEEN PAID PRIOR TO  
THE SALE OF GOLD TO THE BANGKO SENTRAL NG  
PILIPINAS, THE TAXPAYER MAY FILE A CLAIM FOR

1       **REFUND OR CREDIT WITH THE COMMISSIONER FOR THE**  
 2       **EXCISE TAX PAID.”**

3       **SEC. 3. *Tax Incentives and Privileges of Small-Scale Miners.*** –

4       In addition to the foregoing, and notwithstanding the existing  
 5       provisions of Republic Act No. 6938, as amended, and other  
 6       applicable laws, the sale of gold by registered small-scale miners, as  
 7       defined under Republic Act No. 7076, to accredited traders for  
 8       eventual sale to the Bangko Sentral ng Pilipinas shall enjoy the  
 9       same tax treatment and privileges given to the direct sale of gold to  
 10      the Bangko Sentral ng Pilipinas under the Tax Code.

11      **SEC. 4. *Presumption on the Source of Gold.*** – All gold sold  
 12      to the Bangko Sentral ng Pilipinas by accredited traders shall be  
 13      presumed to have been purchased by said traders from small-scale  
 14      miners.

15      **SEC. 5. *Implementing Rules and Regulations.*** – Within  
 16      sixty (60) days after the effectivity of this Act, the Governor of the  
 17      Bangko Sentral ng Pilipinas, the Secretary of Environment and  
 18      Natural Resources, the Secretary of the Interior and Local  
 19      Government and the Commissioner of Internal Revenue shall  
 20      recommend to the Secretary of Finance, for promulgation, the rules  
 21      and regulations necessary for the effective implementation of this  
 22      Act. The rules and regulations shall include provisions for the  
 23      registration and accreditation requirements of small-scale miners  
 24      and traders in order to avail of the tax exemptions under this Act.

25      **SEC. 6. *Repealing Clause.*** – All laws, executive/administrative  
 26      orders, rules, regulations and other issuances or parts thereof,

1       which are inconsistent with the provisions of this Act, are hereby  
 2       revoked, repealed or modified accordingly.

3       **SEC. 7. *Separability Clause.*** – Should any provision herein  
 4       be declared unconstitutional, the same shall not affect the validity  
 5       of the other provisions of this Act.

6       **SEC. 8. *Effectivity.*** – This Act shall take effect fifteen (15)  
 7       days after its publication in the *Official Gazette* or in a newspaper of  
 8       general circulation.

Approved,

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