

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



Seventeenth Congress
First Regular Session

HOUSE BILL NO. 4054

Introduced by: **HON. PANTALEON D. ALVAREZ; HON. RODOLFO C. FARIÑAS; HON. DANILO E. SUAREZ; HON. DAKILA CARLO E. CUA; HON. CELSO L. LOBREGAT; HON. CONRADO M. ESTRELLA III; HON. MICHAEL ODYLON L. ROMERO; HON. MARK AERON H. SAMBAR; HON. ENRICO A. PINEDA; and HON. JERICHO JONAS B. NOGRALES**

EXPLANATORY NOTE

After twenty (20) years, the Philippines is again an Olympic winner. Hidilyn Diaz, a 25-year old lass from Zamboanga City, won a silver medal in Weightlifting in the Rio de Janeiro (Brazil) Olympics, and brought glory and honor to our country.


Before Hidilyn's silver medal, the last Olympic medal for the Philippines was Mansueto "Onyok" Velasco's Boxing silver in the 1996 Atlanta Games.

Hidilyn's journey to Olympic glory is awe-inspiring. Coming from a humble background, she has proven to us all that with sheer hard work, determination and true grit, no dreamer is too small or a dream too big that cannot be fulfilled. Hidilyn exemplified the resiliency and tenacity of the Filipino as she bucked past Olympic failure to finally win sporting glory in Rio for the Philippines.

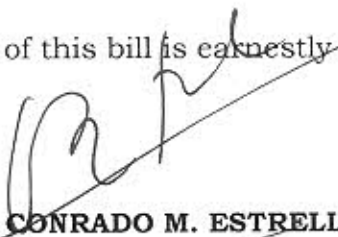
Needless to say, Hidilyn Diaz and other Filipino Olympic heroes like her deserve not only our praise but also our support. Her success—and also her experience in her sport—will be very valuable in developing and molding future Filipino Olympic medalists. Notably, Hidilyn has expressed her desire to establish a gym in her hometown where she could train young aspiring weightlifters.

It is in this light that we are proposing this measure that would give tax incentives to those who give financial or other support to Hidilyn Diaz and other athletes like her. Through such tax breaks, we would like to encourage our people to support our athletes' endeavors, especially as they try to bring more pride and honor to the nation, whether through personal success or by training and developing future Filipino Olympians.


In view of the foregoing, approval of this bill is earnestly sought.



REP. PANTALEON D. ALVAREZ
Speaker




REP. CONRADO M. ESTRELLA III
Chairman
Committee on Youth & Sports Dev't.



REP. RODOLFO C. FARIÑAS
Majority Leader




REP. MICHAEL ODYLON L. ROMERO
1-Pacman Party-list



REP. DANILO E. SUAREZ
Minority Leader




REP. MARK AERON H. SAMBAR
PBA Party-list




REP. DAKILA CARLO E. CUA
Chairman
Committee on Ways & Means



REP. ENRICO A. PINEDA
1-Pacman Partylist



CELSO L. LOBREGAT
Zamboanga City, 1st District



REP. JERICHO JONAS B. NOGRALES
PBA Party-list

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AN ACT
PROVIDING TAX INCENTIVES TO INDIVIDUALS AND
CORPORATIONS GIVING DONATIONS, CONTRIBUTIONS,
AND GRANTS TO FILIPINO ATHLETES WHO HAVE WON
MEDALS IN THE SUMMER OLYMPIC GAMES, AND FOR
OTHER PURPOSES

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

SECTION 1. Tax Exemptions and Deductions. – Any donation, contribution, gift and grant of real and personal property to any Filipino athlete who has won for the Philippines a bronze, silver, or gold medal in the Summer Olympic Games shall constitute an allowable deduction from the income of the donor for income tax purposes and shall be exempt from donor's tax, in accordance with the provisions of the National Internal Revenue Code, as amended: *Provided, however,* That the value of each donor's donations, contributions, gifts, or grants eligible for the tax exemption and

deduction shall only be up to an amount not exceeding One Million Pesos (PhP1,000,000.00) for one taxable year. The value of the donation in excess of One Million Pesos (PhP1,000,000.00) shall be subject to donor's tax and shall no longer be allowed as tax deduction.

SEC. 2. *Applicability to Both Corporate and Individual Donors.* – The tax incentives provided in Section 1 hereof shall be applicable to both corporate and individual donors. Provisions in the National Internal Revenue Code, as amended, to the contrary notwithstanding, individual donors shall be entitled to deductions in their gross income for donations covered by this Act.

SEC. 3. *Valuation of Property Donations.* – The amount of any donation of property other than money shall be based on the acquisition cost of said property. However, such valuation shall take into consideration the depreciation in the value of the donated property in case such property has been used.

SEC. 4. *Proof of Donation.* – Donations, contributions, or gifts shall be allowable as deductions under this Act only if verified in accordance with existing rules and regulations of the Bureau of Internal Revenue for proving charitable donations, contributions, or gifts for purposes of tax deduction. Any product or brand endorsement, personal service, or other consideration of any nature given in exchange for the purported donation shall automatically make such purported donation ineligible for the incentives under this Act.

SEC. 5. Coverage. - Only donations, gifts, contributions, and grants made within one (1) year from the date the Olympic medal was won shall be eligible for the tax incentives provided in Section 1 hereof: *Provided*, That the grant of tax exemption and deduction herein shall not be available for donations, gifts, contributions, or grants to medalists in demonstration and exhibition sports events in the Summer Olympic Games.

SEC. 6. Government Incentives.- Any award, incentive, or grant given by the Government, its corporations, institutions, instrumentalities and agencies, to Olympic medalists for winning an Olympic medal shall be exempt from taxes.

SEC. 7. Retroactive Application.- The benefits of this Act shall be applicable to awards, incentives, donations, gifts, contributions, and grants to an Olympic medalist in the 2016 Rio de Janeiro Olympics made prior to the enactment of this Act, provided that these are given within one (1) year from the date the medal was won.

SEC. 8. Effectivity. - This Act shall take effect immediately after its publication in at least two (2) newspapers of general circulation.

Approved,