



16 JAN 26 P6 30

SENATE

S. No. 3152

RECEIVED BY: 

Introduced by Senator Ralph G. Recto

AN ACT
EXEMPTING FROM INCOME TAX THE PRIZES AND AWARDS GIVEN TO
PIA ALONZO WURTZBACH AS MISS UNIVERSE 2015

Explanatory Note

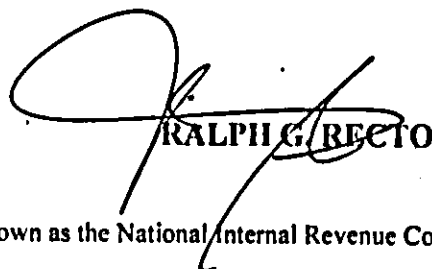
On 20 December 2015, another Filipina brought pride and glory to the Philippines after winning the coveted title of Miss Universe 2015. Twenty-six year old Pia Alonzo Wurtzbach who hails from Cagayan de Oro City, bested seventy-nine (79) other contestants from around the globe after showcasing her exceptional beauty, intelligence, talent, poise and charm on her way to becoming only the third Filipina to win one of the oldest, most recognized and prestigious beauty pageants in the world.

Aside from winning the title of Miss Universe 2015, Ms. Wurtzbach is poised to receive an annual salary from the pageant organizers, a modeling contract, a scholarship and other valuable prizes. With this disclosure, Bureau of Internal Revenue Commissioner Kim S. Jacinto-Henares has declared that all her winnings from the beauty pageant are subject to income tax as provided under the National Internal Revenue Code of 1997, as amended (the "Tax Code"). Commissioner Henares added that it is only through an act of Congress that Ms. Wurtzbach's winnings can be exempted from income tax.

Incidentally, the Tax Code recognizes the achievements of exemplary Filipinos by excluding from the computation of gross income, under certain conditions, the prizes and awards given primarily in recognition of religious, charitable, scientific, educational, artistic, literary, and civic achievements and all the prizes and awards granted to athletes in local and international sports competitions and tournaments sanctioned by the various national sports associations¹.

In the past, the Philippine Congress had already granted tax exemption to the winnings of a Filipina beauty pageant titlist. In 1967, Congress granted tax exemption to the cash prize awarded to Ms. Gemma Teresa Guerrero Cruz after she became the first Filipina to win the Miss International beauty contest in 1964, another prestigious beauty competition², wherein forty (40) contestants competed for the crown. It is only fitting, that after a 42-year title drought Congress grants a similar tax privilege to Ms. Wurtzbach in recognition of her hard work, strong determination, and the glory she brought to the country after bringing home the title of Miss Universe 2015.

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


RALPH G. RECTO

¹ Section 32 (B) (7) (c) and (d) of RA 8424 otherwise known as the National Internal Revenue Code, as amended.

² Republic Act No. 4909 entitled, "An Act Exempting From Income Tax The Ten Thousand Dollars Prize of Miss Gemma Cruz As Miss International", enacted on June 17, 1967.



Senate
Office of the Secretary

SIXTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
Third Regular Session

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

1 **SECTION 1.** All the awards, prizes, and winnings of Miss Pia Alonzo
2 Wurtzbach as Miss Universe 2015 shall be excluded from the computation of gross
3 income and henceforth exempt from income tax, any provision in the National Internal
4 Revenue Code of 1997, as amended to the contrary notwithstanding.

5 **SECTION 2. Effectivity Clause.** – This Act shall take effect fifteen (15) days
6 after its publication in the Official Gazette or in at least two (2) national newspapers of
7 general circulation.

8 *Approved,*