



HOUSE OF REPRESENTATIVES

H. No. 3297

BY REPRESENTATIVES ESCUDERO, COSALAN, MACAPAGAL-ARROYO,
PADUANO, KHO, ALVAREZ (P.), FARIÑAS, 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:*

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

5 “SEC. 32. *Gross Income.* –

6 “x x x

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

10 “x x x

11 “(7) *Miscellaneous Items.* –

1 "x x x

2 "(I) INCOME DERIVED FROM THE SALE OF GOLD
3 PURSUANT TO REPUBLIC ACT NO. 7076. - INCOME
4 DERIVED FROM THE FOLLOWING TRANSACTIONS
5 PURSUANT TO REPUBLIC ACT NO. 7076, OTHERWISE
6 KNOWN AS THE "PEOPLE'S SMALL-SCALE MINING ACT
7 OF 1991":

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

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

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

19 "SEC. 151. *Mineral Products.* -

20 "x x x

21 "(C) NOTWITHSTANDING THE FOREGOING, GOLD
22 WHICH IS SOLD, OR EVENTUALLY SOLD, TO THE
23 BANGKO SENTRAL NG PILIPINAS, IN ACCORDANCE WITH
24 SECTION 32(B)(7)(i), SHALL BE EXEMPT FROM THE
25 PAYMENT OF EXCISE TAX: *PROVIDED, HOWEVER, THAT IF*
26 *THE EXCISE TAX DUE THEREON HAD BEEN PAID PRIOR TO*
27 *THE SALE OF GOLD TO THE BANGKO SENTRAL NG*
28 *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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