

INFORMATION SHEET
ON
COMMITTEE REPORT NO. 509
RE 2225
Short Title
Filed on 18 DEC 2000

'00 DEC 18 A9:04

RECEIVED BY: C

a) COMMITTEE(s) which reported out the bill(s)/resolution(s)/other matters:

Ways and Means (primary)
Bank, Financial Institutions and Commerce (secondary)

b) BILL(s) and/or RESOLUTION(s)/OTHER MATTER(s) reported out and taken into consideration:

Bill/Resolution/others	Referred to the Ctte(s) on:	Author(s)
<u>SB 2181</u>		
2. _____		
3. _____		

-Other bill(s)/resolution(s)/other matters of similar subject matter not included in this report:

Reason(s): _____

c) ACTION TAKEN by the Committee(s):

Primary Committee

Secondary Committee

(If this is not a joint report)

☒ Recommending Approval ☐
☐ with amendments ☐
☐ without amendments ☐
☒ in substitution of SB 2181 ☐
☐ in consolidation with ☐
☐ Laid on the Table/Archived ☐

☐ Pending in the
Committee on _____

d) COMMITTEE MEETINGS/PUBLIC HEARINGS/TWG/OTHERS CONDUCTED:

Date: _____ Venue: _____ Date: _____ Venue: _____

November 29, 2000 Parade Room 8:00 am

e) Does this Bill/Resolution contain any REVENUE or APPROPRIATION Provision? NO

If Yes, has it been referred to the Finance or Ways and Means Committee and what were its recommendations? _____

f) RELATED/COUNTERPART MEASURE from the HOUSE OF REPRESENTATIVES:

Bill/Resolution No.(s)	Status in the House	Status in the Senate
<u>100</u>		

g) MEMBER(s) without signature in the report; and reason(s):

Senators Rivera, Rivera II, Barber, Costello, Aguino -
Ortiz, Cayetano and Spill - not available

h) Additional remarks: _____

Submitted by: JULIE M. FORTIVIERA
Legislative Committee Secretary
Date submitted: _____

ELEVENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
Third Regular Session

SENATE
OFFICE OF THE SECRETARY

DEC 18 A9:04

SENATE

RECEIVED BY: _____

COMMITTEE REPORT NO. 509

Submitted by the Committees on Ways and Means and Banks, Financial
Institutions and Currencies on 18 DEC 2000

Re: S.B. No. 2225, prepared by the Committees

Recommending its approval in substitution of SB No. 2181

Sponsor: Senator Juan Ponce Enrile

Mr. President:

The Committees on Ways and Means and Banks, Financial Institutions and
Currencies to which was referred SB No. 2181 sponsored by Senator Enrile, entitled:

“AN ACT
IMPOSING THE VALUE-ADDED TAX ON CERTAIN SERVICES
BEGINNING JANUARY 01, 2002, AMENDING FOR THE
PURPOSE SECTION 5 OF REPUBLIC ACT NO. 8424, AS
AMENDED, AND FOR OTHER PURPOSES”

have considered the same and have the honor to report it back to the Senate with the
recommendation that the attached SB No. 2225, prepared by the Committees, entitled:

“AN ACT
IMPOSING THE VALUE-ADDED TAX ON CERTAIN SERVICES
BEGINNING JANUARY 01, 2003, AMENDING FOR THE
PURPOSE SECTION 5 OF REPUBLIC ACT NO. 8424, AS
AMENDED, AND FOR OTHER PURPOSES”

be approved with Senator Enrile as author thereof.

Respectfully Submitted:

Raul S. Roco of disdrows
RAUL S. ROCO *of parliamentery*
Chairman *bias*
Committee on Banks, Financial
Institutions and Currencies

Juan Ponce Enrile
JUAN PONCE ENRILE
Chairman
Committee on Ways and Means

Vice-Chairmen:

JOHN H. OSMEÑA

GREGORIO B. HONASAN

SERGIO R. OSMEÑA

Members:

RAMON B. REVILLA

ROBERT Z. BARBERS

VICENTE C. SOTTO III

ROBERT S. JAWORSKI

ANNA DOMINIQUE M.L. COSETENG

TERESA AQUINO-ORETA

RAMON B. MAGSAYSAY, JR.

JUAN M. FLAVIER

LOREN LEGARDA-LEVISTE

RENATO *Compañero* CAYETANO

Ex-Officio Members:

BLAS F. OPLE
President Pro-Tempore

FRANCISCO S. TATAD
Majority Leader

TEOFISTO T. GUINGONA, JR.
Minority Leader

HON. AQUILINO Q. PIMENTEL, JR.

ELEVENTH CONGRESS OF THE }
REPUBLIC OF THE PHILIPPINES }
Third Regular Session }

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SENATE

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SB NO. **2225**

(In substitution of SB No. 2181)

Prepared by the Committees with Senator Juan Ponce Enrile as author thereof

AN ACT IMPOSING THE VALUE-ADDED TAX ON CERTAIN SERVICES
BEGINNING JANUARY 1, 2003, AMENDING FOR THE PURPOSE SECTION 5 OF
REPUBLIC ACT NO. 8424, AS AMENDED, AND FOR OTHER PURPOSES

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

Section 1. Section 5 of Republic Act No. 8424, as amended by Republic Act No. 8761, is hereby further amended to read as follows:

“SEC. 5. *Transitory Provisions. – Effectivity of the Imposition of VAT on Certain Services.* – The imposition of the value-added tax on the following services shall take effect on January 1, [2001] **2003**:

“(a) Services performed in the exercise of profession or calling subject to the professional tax as provided for under Republic Act No. 7160, otherwise known as the Local Government Code of 1991, and professional services performed by registered general professional partnerships; actors, actresses, talents, singers and emcees; radio and television broadcasters, choreographers; musical, radio, movie, television and stage directors; and professional athletes;

“(b) Services rendered by banks, non-bank financial intermediaries, finance companies, and other financial intermediaries not performing quasi-banking functions; and

“(c) Services rendered by stock, real estate, commercial, customs and immigration brokers; *Provided, That*, [for the year] beginning January 01, **2001** up to December 31, [2000] **2002**, the aforementioned brokers shall, in lieu of the value-added tax prescribed under Title IV of the National Internal Revenue Code of 1997, be subject to a tax equivalent to seven percent (7%) based on gross receipts from brokering services which shall be paid in the manner and in accordance with the provisions of Title V of the said Code: *Provided, further*, That beginning January 1, [2001] **2003**, the aforementioned brokers shall be subject to the value-added tax, in lieu of the seven percent (7%) tax.

“The taxpayers rendering services mentioned under paragraphs (a) and (b) hereof, shall pay the applicable taxes prescribed under the pertinent provisions of the National Internal Revenue Code, as amended.”

SEC. 2. *Implementing Rules and Regulations.* – The Secretary of Finance shall, upon the recommendation of the Commissioner of Internal Revenue, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 3. *Repealing Clause.* – All laws, decrees, orders, issuances, rules and regulations and other issuances or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 4. *Effectivity.* – This Act shall take effect on January 01, 2001.

Approved,