



HOUSE OF REPRESENTATIVES

H. No. 5624

BY REPRESENTATIVES GOLEZ, TAÑADA, BICHARA, RODRIGUEZ, VILLAFUERTE,
SOLIS, ROMUALDEZ, BAGATSING, TIENG, VELARDE, COSCOLLUELA,
ZIALCITA, TEODORO, GONZALES (N.), DE GUZMAN, AGBAYANI AND
ROMULO, PER COMMITTEE REPORT NO. 1585

AN ACT REDUCING THE RATE OF AMUSEMENT TAX TO BE
COLLECTED FROM THE PROPRIETORS, LESSEES, OR
OPERATORS OF THEATERS OR CINEMAS, AMENDING FOR
THE PURPOSE SECTION 140 OF REPUBLIC ACT NO. 7160,
OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF
1991

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

1 SECTION 1. Section 140 of Republic Act No. 7160, otherwise known
2 as the Local Government Code of 1991, is hereby amended to read as follows:

3 “SEC. 140. *Amusement Tax.* – (a) The province may levy
4 an amusement tax to be collected from the proprietors, lessees,
5 or operators of [theaters, cinemas,] concert halls, circuses,
6 boxing stadia, and other places of amusement at a rate of not
7 more than thirty percent (30%) of the gross receipts from
8 admission fees[.]: **PROVIDED, HOWEVER, THAT A RATE OF NOT**
9 **MORE THAN TEN PERCENT (10%) MAY BE COLLECTED FROM**
10 **THE PROPRIETORS, LESSEES, OR OPERATORS OF THEATERS OR**
11 **CINEMAS.**

1 (b) In the case of theaters or cinemas, the tax shall first
2 be deducted and withheld by their proprietors, lessees, or
3 operators and paid to the provincial treasurer before the gross
4 receipts are divided between said proprietors, lessees, or
5 operators and the distributors of the cinematographic films.

6 (c) The holding of operas, concerts, dramas, recitals,
7 painting and art exhibitions, flower shows, musical programs,
8 literary and oratorical presentations, except pop, rock, or similar
9 concerts shall be exempt from the payment of the tax herein
10 imposed.

11 (d) The sangguniang panlalawigan may prescribe the
12 time, manner, terms and conditions for the payment of tax. In
13 case of fraud or failure to pay the tax, the sangguniang
14 panlalawigan may impose such surcharges, interests and
15 penalties as it may deem appropriate.

16 (e) The proceeds from the amusement tax shall be shared
17 equally by the province and the municipality where such
18 amusement places are located.”

19 SEC. 2. *Implementing Rules.* – The Secretary of Finance shall issue the
20 necessary rules and regulations to implement this Act.

21 SEC. 3. *Repealing Clause.* – All laws, decrees, orders, rules and
22 regulations or parts thereof inconsistent with the provisions of this Act are
23 hereby amended or modified accordingly.

24 SEC. 4. *Effectivity.* – This Act shall take effect (15) days after its
25 complete publication in the *Official Gazette* or in at least two (2) national
26 newspapers of general circulation whichever comes earlier.

Approved,