



HOUSE OF REPRESENTATIVES

H. No. 8065

BY REPRESENTATIVES SALCEDA, GARIN (S.), BASCUG, EBCAS, GERON, LAGON, DAGOOC, ESTRELLA, HARESCO, GO (M.), PLAZA, ARENAS, VIOLAGO, SACDALAN, UY (J.), NOGRALES (J.J.), DELOSO-MONTALLA, YAP (E.), CRISOLOGO, SAVELLANO, SUANSING (E.), SUANSING (H.), DEFENSOR (L.), COLLANTES, SUNTAY, FARIÑAS (R.C.), PIMENTEL, ESPINO, FUENTEBELLA, ECLEO, CHIPECO, JIMENEZ, RODRIGUEZ, TAN (A.S.), TEJADA, DY (F.M.C.), TAMBUNTING, TAN (A.) AND BAGATSING, PER COMMITTEE REPORT NO. 608

AN ACT
IMPOSING TAXES ON OFFSITE BETTING ACTIVITIES
ON LOCALLY LICENSED COCKFIGHTS AND DERBIES,
AMENDING SECTION 125 OF THE NATIONAL INTERNAL
REVENUE CODE OF 1997, AS AMENDED

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

1 SECTION 1. Section 125 of the National Internal Revenue Code of 1997, as
2 amended, is hereby further amended to read as follows:

3
4 "SEC. 125. *Amusement Taxes.* There shall be collected from the
5 proprietor, lessee and operator of cockpits, **INCLUDING OPERATORS**
6 **OF ONLINE PLATFORMS AND OFFSITE BETTING STATIONS FOR**
7 **SUCH COCKPITS**, cabarets, night or day clubs, boxing exhibitions,
8 professional basketball games, Jai-Alai and racetracks, a tax
9 equivalent to:

10
11 (a) Eighteen percent (18%) in the case of cockpits: **PROVIDED, THAT**
12 **FOR OFFSITE BETTING ACTIVITIES ON LOCALLY LICENSED**
13 **COCKFIGHTS AND DERBIES AND OTHER DERIVATIVE**
14 **ACTIVITIES, THERE SHALL BE LEVIED, ASSESSED, AND**
15 **COLLECTED A TAX EQUIVALENT TO FIVE PERCENT (5%)**

1 **BASED ON GROSS GAMING RECEIPTS, WHICH SHALL BE**
2 **DIRECTLY REMITTED TO THE BUREAU OF INTERNAL**
3 **REVENUE (BIR) AND SHALL BE IN LIEU OF ALL OTHER**
4 **PERCENTAGE TAXES PURSUANT TO SECTION 109 (1)(E),**
5 **BUT NOT OF LOCAL GOVERNMENT TAXES AND**
6 **REGULATORY FEES AND CHARGES APPLICABLE TO SUCH**
7 **ACTIVITIES.**

8
9 (b) xxx

10
11 (c) xxx

12
13 (d) xxx

14
15 (e) xxx

16
17 For the purpose of the amusement tax, the term 'gross receipts'
18 embraces all receipts of the proprietor, lessee, or operator of the
19 amusement place. Said gross receipts also include income from
20 television, radio and motion picture rights, if any. A person or entity or
21 association conducting any activity subject to the tax herein imposed
22 shall be similarly liable for said tax with respect to such portion of the
23 receipts derived by him or it.

24
25 **FOR PURPOSES OF SECTION 125 (a) HEREIN, THE TERM**
26 **'GROSS GAMING RECEIPTS' EMBRACES ALL THE RECEIPTS**
27 **DERIVED BY THE PERSON, ENTITY OR ASSOCIATION,**
28 **INCLUDING INCOME DERIVED FROM 'PLASADA' OR NET**
29 **COMMISSION FROM OFFSITE BETTING ON LOCALLY**
30 **AUTHORIZED AND REMOTELY BROADCAST COCKFIGHTING**
31 **MATCHES OF ALL GAMING OPERATORS.**

32
33 **"OFFSITE BETTING ACTIVITIES ON LOCALLY LICENSED**
34 **COCKFIGHTS AND DERBIES" SHALL REFER TO ACTIVITIES BY**
35 **GAMING OPERATORS, AS DEFINED IN THIS SECTION, WHICH**
36 **INVOLVE PLACING AND ACCEPTANCE OF WAGERS, INCLUDING**
37 **FACILITATION THEREOF, BY REMOTE AND/OR ELECTRONIC**
38 **MEANS, ON COCKFIGHTING ACTIVITIES DULY AUTHORIZED**
39 **AND LICENSED BY LOCAL GOVERNMENT UNITS (LGU) IN THE**
40 **EXERCISE OF THEIR POWERS UNDER REPUBLIC ACT NO. 7160:**
41 **PROVIDED THAT, WHENEVER APPLICABLE, OFFSITE BETTING**
42 **STATIONS, ACTIVITIES, OR OPERATIONS SHALL BE DULY**
43 **AUTHORIZED OR LICENSED BY THE LGU IN WHICH THE**
44 **STATIONS, ACTIVITIES, OR OPERATIONS ARE PHYSICALLY**
45 **LOCATED: PROVIDED, FURTHER, THAT OFFSITE BETTING, AS**
46 **REFERRED TO IN THIS SECTION, SHALL NOT INCLUDE OTHER**
47 **GAMES AND ACTIVITIES SPECIFICALLY AUTHORIZED BY LAW**
48 **TO BE PERFORMED BY OTHER GOVERNMENT GAMING**
49 **AUTHORITIES SUCH AS THE PHILIPPINE AMUSEMENT AND**
50 **GAMING CORPORATION AND THE PHILIPPINE CHARITY AND**
51 **SWEEPSTAKES OFFICE.**

1 **“GAMING OPERATOR” SHALL REFER TO A REGISTERED**
2 **RESIDENT ENTITY, SUCH AS A CORPORATION, A PARTNERSHIP,**
3 **AN INDIVIDUAL OR AN ASSOCIATION, DULY AUTHORIZED BY**
4 **THE GAMES AND AMUSEMENT BOARD (GAB) TO SUPERVISE,**
5 **MANAGE AND OPERATE OFFSITE BETTING ACTIVITIES ON**
6 **LOCALLY LICENSED COCKFIGHTS AND DERBIES AS DEFINED**
7 **IN THIS SECTION. WHEREVER APPLICABLE, OFFSITE BETTING**
8 **ACTIVITIES ON LOCALLY LICENSED COCKFIGHTS AND**
9 **DERBIES SHALL BE INCLUDED BY THE GAMING OPERATOR IN**
10 **DISCLOSURES AND DOCUMENTATIONS REQUIRED BY THE BIR,**
11 **THE GAB AND OTHER REGULATORY GOVERNMENT AGENCIES**
12 **AND INSTRUMENTALITIES.”**
13

14 The taxes imposed herein shall be payable at the end of each quarter
15 and it shall be the duty of the proprietor, lessee or operator concerned,
16 as well as any party liable, within twenty (20) days after the end of
17 each quarter, to make a true and complete return of the amount of the
18 gross receipts derived during the preceding quarter and pay the tax
19 due hereon.
20

21 **THE COMMISSIONER OF INTERNAL REVENUE SHALL ISSUE**
22 **RULES AND REGULATIONS AS MAY BE ALLOWED BY THE**
23 **NATIONAL INTERNAL REVENUE CODE AND OTHER LAWS,**
24 **RULES, AND REGULATIONS.**
25

26 **SEC. 2. *Implementing Rules and Regulations.*** – Within thirty (30) days after
27 the effectivity of this Act, the Commissioner of Internal Revenue and the Chairperson
28 of the GAB shall promulgate the rules and regulations necessary for its
29 implementation.
30

31 **SEC. 3. *Separability Clause.*** – If any part or provision of this Act is held invalid
32 or unconstitutional, the remaining parts or provisions not affected shall remain in full
33 force and effect.
34

35 **SEC. 4. *Repealing Clause.*** – All laws, decrees, orders, rules, and regulations
36 inconsistent with the provisions of this Act are hereby repealed or modified
37 accordingly.
38

39 **SEC. 5. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
40 publication in the Official Gazette or in any newspaper of general circulation.
41

42 Approved,