



HOUSE OF REPRESENTATIVES

H. No. 9990

---

BY REPRESENTATIVES VELASCO, SALCEDA, DY (F.M.C.), CASTELO, ORDANES, MARCOLETA, ROMERO, PINEDA, SUANSING (E.), GARIN (S.), RODRIGUEZ, NOGRALES (J.J.), CRISOLOGO, ELAGO, SUANSING (H.), TAMBUNTING, GORRICETA, LEGARDA, REVILLA, DAGOOC, SACDALAN, CAOAGDAN, ESPINO, DEFENSOR (L.), YU, SALIMBANGON, FORTUN, ALONTE, ESPINA, TEJADA, GO (M.), ONG (R.), GATCHALIAN, GARCIA (P.J.), FUENTEBELLA, VIOLAGO, ATIENZA, BASCUG, LAGON, TAN (A.), KHO (W.), PUNO, ECLEO, DELOSO-MONTALLA, REYES, SAVELLANO, ONG (J.), FARIÑAS (R.C.), SUAREZ (A.), HARESCO, CHIPECO, SUNTAY, ARENAS, EBCAS, VILLA, MARIÑO, PADIERNOS, ESCUDERO, BIAZON, GERON, SALO, BROSAS, AGABAS, LACSON, SINGSON-MEEHAN, ABU, GULLAS, TAN (A.S.), BARBA, MARIANO-HERNANDEZ, ADVINCULA, AMATONG, BELMONTE, BORDADO, CABATBAT, CASTRO (F.L.), CO (A.N.), CULLAMAT, FERNANDO, GAITE, GARIN (J.), GUYA, PADUANO, QUIMBO, SAULOG, SINGSON, TAN (S.A.), UMALI (M.V.), ZARATE AND DALIPE, PER COMMITTEE REPORT NO. 1134

---

AN ACT

EXEMPTING INCENTIVES, REWARDS, BONUSES AND OTHER FORMS OF EMOLUMENTS RECEIVED BY NATIONAL ATHLETES AND COACHES FROM TAXES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10699, OTHERWISE KNOWN AS THE "NATIONAL ATHLETES AND COACHES BENEFITS AND INCENTIVES ACT"

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

- 1           **SECTION 1. Short Title.** – This Act shall be known as the "*Hidilyn Diaz Act*".
- 2           **SEC. 2. Declaration of Principle.** – The State shall give priority to sports to foster
- 3 patriotism and nationalism, accelerate social progress, and promote total human liberation and
- 4 development. Towards this end, the State shall look after the welfare of national athletes and

1 coaches by providing benefits and incentives for qualified athletes and coaches who compete  
2 or win in international sports competitions and bring honor and recognition to the country.

3 **SEC. 3.** A new Section, designated as Section 4-A, is hereby inserted in Republic Act  
4 No. 10699, otherwise known as the "*National Athletes and Coaches Benefits and Incentives*  
5 *Act*", to read as follows:

6 **"SEC. 4-A. EXEMPTION FROM TAXES OF INCENTIVES,**  
7 **REWARDS, BONUSES AND OTHER FORMS OF EMOLUMENTS**  
8 **RECEIVED BY COMPETING OR WINNING NATIONAL ATHLETES**  
9 **AND COACHES. - ALL INCENTIVES, REWARDS, BONUSES AND**  
10 **OTHER FORMS OF EMOLUMENTS, AS WELL AS DONATIONS,**  
11 **GIFTS, ENDOWMENTS AND CONTRIBUTIONS, WHETHER FROM**  
12 **PUBLIC OR PRIVATE PERSONS OR ENTITIES, RECEIVED BY**  
13 **NATIONAL ATHLETES WHO COMPETE OR WIN IN**  
14 **INTERNATIONAL SPORTS COMPETITIONS AS DEFINED IN THIS**  
15 **ACT, INCLUDING THOSE RECEIVED BY THEIR RESPECTIVE**  
16 **COACHES, SHALL BE EXEMPT FROM ANY AND ALL NATIONAL**  
17 **OR LOCAL TAXES, FEES AND CHARGES, SUBJECT TO RULES**  
18 **AND REGULATIONS TO BE ISSUED BY THE SECRETARY OF**  
19 **FINANCE, AS RECOMMENDED BY THE COMMISSIONER OF**  
20 **INTERNAL REVENUE: PROVIDED, HOWEVER, THAT DONATIONS,**  
21 **GIFTS, ENDOWMENTS AND CONTRIBUTIONS MADE PRIOR TO**  
22 **THE COMPETITION ITSELF AND DIRECTLY AND EXCLUSIVELY**  
23 **USED TO FUND TRAINING AND COMPETITION-RELATED**  
24 **EXPENSES, AS WELL AS INCENTIVES, REWARDS, BONUSES AND**  
25 **OTHER FORMS OF EMOLUMENTS RECEIVED BY COMPETING**

1 OR WINNING NATIONAL ATHLETES AND COACHES, SHALL BE  
2 CONSIDERED AS ALLOWABLE DEDUCTIONS FROM GROSS  
3 INCOME FOR PURPOSES OF COMPUTING THE TAXABLE  
4 INCOME OF THE DONOR IN ACCORDANCE WITH THE  
5 PROVISIONS OF THE NATIONAL INTERNAL REVENUE CODE OF  
6 1997, AS AMENDED.

7 THE EXEMPTION FROM DONOR'S TAX AND  
8 DEDUCTIBILITY FROM GROSS INCOME PROVIDED HEREIN MAY  
9 BE AVAILED OF WITHIN ONE (1) YEAR BEFORE THE  
10 COMMENCEMENT OF THE INTERNATIONAL SPORTS  
11 COMPETITION WHERE THE NATIONAL ATHLETE WILL  
12 COMPETE IN, AS CERTIFIED BY THE RESPECTIVE BODIES THAT  
13 ACCREDITED THEM AND THEIR COACHES, WHICH MAY BE THE  
14 PHILIPPINE SPORTS COMMISSION, PHILIPPINE OLYMPIC  
15 COMMITTEE, OR THE NATIONAL PARALYMPIC COMMITTEE OF  
16 THE PHILIPPINES, AND WITHIN THREE (3) MONTHS AFTER THE  
17 INTERNATIONAL SPORTS COMPETITION.

18 THE EXEMPTIONS AND PRIVILEGES PROVIDED HEREIN  
19 SHALL TAKE EFFECT ON JANUARY 1, 2021 AND SHALL NOT BE  
20 AVAILED IN LIEU OF ANY TAX EXEMPTION OR PRIVILEGE  
21 GRANTED UNDER EXISTING LAWS.”

22 **SEC. 4. *Implementing Rules and Regulations.*** – Within thirty (30) days from the  
23 effectivity of this Act, the Department of Finance shall, upon recommendation by the Bureau  
24 of Internal Revenue, promulgate rules and regulations for the effective implementation of this

1 Act: *Provided*, That failure to promulgate said rules and regulations shall not prevent the  
2 implementation of the provisions of this Act.

3 **SEC. 5. *Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations  
4 or parts thereof which are contrary to or inconsistent with any provisions of this Act are hereby  
5 repealed, amended, or modified accordingly.

6 **SEC. 6. *Separability Clause.*** – If any provision or part of this Act is declared  
7 unconstitutional and invalid, the remaining parts or provisions not affected shall remain in full  
8 force and effect.

9 **SEC. 7. *Effectivity.*** – This Act shall take effect after fifteen (15) days following its  
10 complete publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,