

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )

SECRET  
Office of the Secretary

'22 JUL 14 P 4 :02

**SENATE**

S.B. No. 646

RECEIVED BY: 

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Introduced by **SENATOR IMEE R. MARCOS**

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**AN ACT**  
**GRANTING FULL TAX BENEFITS TO DONATIONS PROVIDED DURING A**  
**STATE OF CALAMITY, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Article II, Section 20 of the 1987 Constitution provides that "*the State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments.*"

The country has been at the epicenter of many calamities in the past decade, the most devastating being the damage caused by the super typhoon *Yolanda*, the eruption of the *Taal Volcano* and the on-going COVID-19 pandemic. Throughout these ordeals, the private sector has stepped up to assist government through donations and fundraising initiatives, often despite their own physical and financial losses. However, this generosity has been punished with the additional paying of donor's tax.

In recognition of the help extended by the private sector during the COVID-19 pandemic, a provision on Republic Act No. 11469 or the "*Bayanihan to Heal as One Act*" grants full tax benefits to the private sector - companies and individuals alike - that have donated to the government, non-government organizations (NGOs), hospitals and other medical facilities in the battle against COVID-19.

This bill seeks to extend the same benefits to the "*good Samaritans*" in the country, determined to tirelessly and selflessly donate their funds, skills, products and other resources to their fellow Filipinos in times of calamity, often inspite of physical and financial losses they themselves endured.

In light of this, the approval of this bill is earnestly sought.


  
**IMEE R. MARCOS**

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

1           **SECTION 1. Applicability.** – This Act shall be applicable to any person, natural  
2 or juridical, who donates to the government. Department of Health (DOH)-accredited  
3 hospitals. Local Government Unit (LGU) hospitals and other medical facilities and  
4 health clinics, only during a state of calamity.

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6           **SEC. 2. State of Calamity.** – A state of calamity shall be understood as a  
7 condition involving mass casualty and/or major damages to property, disruption of  
8 means of livelihoods, roads and normal way of life of people in the affected areas as  
9 a result of the occurrence of natural or human-induced hazard. *Provided,* That there  
10 must first be a declaration from the President that there is a state of calamity in a  
11 local government unit or in the country.

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13           **SEC. 3. Full Tax Benefits.** – For purposes of this Act, full tax benefits shall pertain  
14 to the following:

- 15           (a) *Donors Tax Exemption.* – Any person who makes a donation during a state of  
16 calamity shall be exempted from paying donor's tax.  
17           (b) *Income Tax Deduction.* – Any donation, or its monetary equivalent, made during  
18 a state of calamity shall be fully deductible for income tax purposes.

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20           **SEC. 4. Retroactive Application.** – This Act shall have retroactive effect, starting  
21 from January 2020 and onwards.

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23           **SEC. 5. Separability Clause.** – If any portion or provision of this Act is declared  
24 unconstitutional, the remainder of this Act or any provision not affected thereby shall  
25 remain in force and effect.

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**SEC. 6. *Repealing Clause.*** – All provisions of existing laws, orders, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

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

*Approved,*