


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



22 AUG -4 A9 :43

SENATE
S. No. 1032

RECEIVED BY: 

Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
PROMOTING THE PRODUCTION OF OUTSTANDING AND WORLD-CLASS
FILIPINO MOTION PICTURES, PROVIDING INCENTIVES TO FILMMAKERS
AND ACTORS CLAIMING HONORS IN INTERNATIONAL FILM
COMPETITIONS AND FOR OTHER PURPOSES

EXPLANATORY NOTE

On many occasions, Filipino filmmakers and artists brought honor and pride to the country for winning top prizes in international film festivals around the world. In 2009, Brillante Mendoza was hailed as Best Director at the 62nd Cannes Film Festival for his film "Kinatay." Mendoza bested renowned directors like Ang Lee, Pedro Almodovar, Jane Campion and Quentin Tarantino, and became the first Filipino to win the coveted prize from the world's most prestigious film festival. Prior to this feat, Mendoza's cinematic works also received critical acclaim and recognition across the globe.

Lav Diaz, another celebrated Filipino auteur, also won major awards from the festivals circuit, including the Golden Leopard from the 2014 Locarno International Film Festival, the Silver Bear from the 2016 Berlin Film Festival, and the Golden Lion from the 73rd Venice International Film Festival.

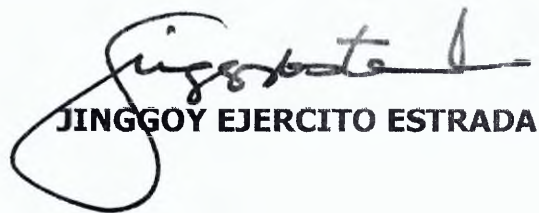
Veteran thespian Jaclyn Jose became the first Filipina to bag the Best Actress award at the Cannes Film Festival for her stirring portrayal in "Ma' Rosa," while accomplished actor John Arcilla won the Volpi Cup for Best Actor at the 78th Venice

Film Festival for his outstanding performance in "On The Job: The Missing 8." These achievements exemplify the remarkable artistic talent and skill of Filipinos, on par with the world's best, which deserve to be encouraged and commended.

This bill seeks to promote and support the production of Filipino films that are world-class and globally competitive through the provision of incentives and tax exemptions. It also aims to foster excellence in the field of arts, specifically in film, and catalyze the advancement of Philippine cinema towards another golden age.

A similar measure was already approved on Third and Final Reading by the House of Representatives during the Seventeenth Congress in 2018.

In view of the foregoing, the passage of this bill is earnestly sought.



JINGGOY EJERCITO ESTRADA



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

1 Section 1. *Short Title.* – This Act shall be known as the "World-Class
2 *Filmmakers' Incentives Act.*"

3 Sec. 2. *Declaration of Policy.* – The State recognizes the role and contribution
4 of films as an effective medium in the formation and strengthening of the patriotic
5 consciousness, nationalist spirit and social values among its citizens. It is hereby
6 declared the policy of the State to promote and support the development, growth
7 and enrichment of the local film industry, which includes both mainstream and
8 independent films, produced by Filipino filmmakers or production entities that freely
9 interpret and examine the Filipino experience with excellent production quality,
10 unique voice and artistic integrity.

11 Towards this end, the State shall grant incentives to filmmakers or production
12 entities which produced high quality film projects, received critical acclaim and
13 recognition from prestigious international film festivals, and brought honor and pride
14 to the country.

15 Sec. 3. *Incentives for Filipino filmmakers.* – The production of outstanding
16 and world-class Filipino films is hereby declared a policy of the State. For this

1 purpose, award-winning Filipino films in respected international film competitions
2 and cinema festivals are hereby accorded the following incentives:

- 3 a) A grant of Five Million pesos (Php 5,000,000.00) to the film production or
4 entity that produces the award winning full-length feature or documentary
5 film. A grant of Two Million pesos (Php 2,000,000.00) shall be awarded to
6 winners of technical excellence which may include recognitions in
7 direction, screenplay, cinematography, editing, production design, music
8 scoring, sound, and other aspects of filmmaking;
- 9 b) Full tax exemptions relevant to the screening of the film and its
10 commercial exhibition, including those levied by local government units
11 (LGUs);
- 12 c) The award winning film shall be considered and shall have the honor of
13 being given an automatic rating of an "A" film being granted by the
14 Cinema Evaluation Board;

15 *Sec. 4. Eligibilities for Incentives.* – To be eligible to receive incentives
16 provided under this Act, the award-winning film must be made or produced by a
17 Filipino filmmaker or production entity, as the case may be.

18 The total production budget for each of the full-length feature or
19 documentary film must not exceed Ten million pesos (P10,000,000.00), while the
20 total production budget for the short feature or documentary film must not exceed
21 Five million pesos (P5,000,000.00).

22 *Sec. 5. Incentives for Filipino actors and actresses.* – Filipino actor or actress,
23 either in leading or supporting role, who wins an international award in prestigious
24 international film festivals shall be provided the following prizes and recognitions:

- 25 a) A grant of Two Million pesos (Php 2,000,000.00);
- 26 b) Exemption in the payment of income tax, including value added tax (VAT)
27 for services rendered, for the particular year the actor wins the award.

28 *Sec. 6. Preservation in the Philippine Film Archive.* – The award-winning films,
29 whether full-length feature, documentary or short film, will automatically be part of
30 the Philippine Film Archive for preservation.

1 The ownership, copyright, distribution, exhibition and use rights of the award-
2 winning films which are recipients of incentives under this Act shall be vested in and
3 remain with the producer, writer, artist or other originator of the work.

4 *Sec. 7. List of international film festivals.* – The Film Development Council of
5 the Philippines (FDCP), after consultation with the National Commission for Culture
6 and the Arts (NCCA), film producers, industry stakeholders and guilds, shall create,
7 update and publish the list of international competitions and film festivals that shall
8 be considered for the implementation of this Act.

9 *Sec. 8. Appropriations.* – A special fund amounting to Fifty million pesos (Php
10 50,000,000.00) which shall be sourced from the funds of the Philippine Amusement
11 and Gaming Corporation (PAGCOR) is hereby created.

12 Other sums as may be necessary to carry out the provisions of this Act shall
13 be included in the General Appropriations Act.

14 *Sec. 9. Implementing Rules and Regulations.* – The Film Development Council
15 of the Philippines (FDCP), in consultation with the Film Academy of the Philippines
16 and the National Commission for Culture and the Arts (NCCA), shall promulgate the
17 implementing rules and regulations within ninety (90) days from the effectivity of
18 this Act.

19 *Sec. 10. Separability Clause.* – If any section or part of this Act is held
20 unconstitutional or invalid, the other sections or provisions not otherwise affected
21 shall remain in full force and effect.

22 *Sec. 11. Repealing Clause.* - All laws, decrees, executive orders, rules and
23 regulations, issuances or any part thereof inconsistent with the provisions of this Act
24 are deemed repealed and modified accordingly.

25 *Sec. 12. Effectivity.* – This Act shall take effect fifteen (15) days after its
26 publication in at least two (2) national newspapers of general circulation, whichever
27 comes earlier.

Approved,