

## RESUMPTION OF SESSION

THE SECRETARY-GENERAL. Ladies and Gentlemen of the Batasan, in accordance with Section 11, Rule IV of the Revised Rules of the Batasang Pambansa, the Speaker has designated the Gentleman from Davao City, the Honorable Manuel M. Garcia, to preside over the session of the Batasan today.

*At 10:43 a.m., the Presiding Officer, the Honorable Manuel M. Garcia, called the session to order.*

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The Acting Floor Leader is recognized.

PERIOD OF AMENDMENTS  
(Continuation)

MR. ALBANO. Mr. Speaker, the sponsor of Cabinet Bill No. 34 still has the floor. We are in the period of individual amendments. May we proceed to the amendments?

THE PRESIDING OFFICER (Mr. Garcia, M.). We are on page 11, still in the period of individual amendments.

MR. BATERINA. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Ilocos Sur is recognized.

MR. BATERINA. Is the sponsor not inviting the panel to assist him?

THE PRESIDING OFFICER (Mr. Garcia, M.). Yes, I think there is a standing order allowing the members of the technical panel to sit near the front podium to assist the sponsor in answering questions.

MR. BATERINA. Thank you, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Page 11 . . . 12 . . .

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. The amendment should start with line 3 and end on line 8.

MR. VALDEZ. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Sultan Kudarat is recognized.

MR. VALDEZ. I would like to propose an anterior amendment, with the indulgence of the Gentleman from Cebu.

THE PRESIDING OFFICER (Mr. Garcia, M.). Please state the anterior amendment.

MR. VALDEZ. Before I propose the amendment on line 1, page 12, Mr. Speaker, may I ask the distinguished sponsor some questions?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman may proceed if the sponsor will yield.

MR. SAN JUAN. Willingly, Mr. Speaker.

MR. VALDEZ. Mr. Speaker, may I know if there is a difference between gain and profit?

MR. SAN JUAN. They are almost the same and synonymous, Mr. Speaker.

MR. VALDEZ. When the distinguished sponsor says, "almost the same and synonymous," is there any difference at all?

MR. SAN JUAN. They are different in that one is gain and the other is profit, but in meaning, they are the same, Mr. Speaker.

MR. VALDEZ. Considering that on lines 1 and 2, "gains" is separated from "profits" by a comma and both are in the enumeration, I had the impression that there is a difference between "gains" and "profits." So, does the distinguished sponsor agree, since he stated that "gains" and "profits" are synonymous, that "gains" should be linked by OR to "profits"?

MR. SAN JUAN. Mr. Speaker, it is presented in this manner: "gains, profits," just to be more comprehensive. But as this Representation had earlier opined, they are almost synonymous. This is just to make sure that taxpayers would not resort to a

game in names or nomenclature so as to escape payment of the right amount of tax.

So, with the indulgence of the Gentleman from Sultan Kudarat, may we be permitted to retain this as presented?

MR. VALDEZ. With that explanation, Mr. Speaker, I will not insist on my proposed amendment.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Sultan Kudarat has withdrawn his amendment.

The Gentleman from Cebu is recognized.

MR. DAVIDE. Mr. Speaker, on line 3 . . .

MR. VALDEZ. Anterior amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). We are still on page 12.

MR. VALDEZ. Line 2, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Sultan Kudarat is recognized.

MR. VALDEZ. May I ask another point for clarification?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Sultan Kudarat is recognized.

MR. VALDEZ. Are gains and profits included in "income"?

MR. SAN JUAN. Yes, Mr. Speaker.

MR. VALDEZ. In other words, gains and profits are lesser in scope than income because income comprehends practically any earnings of the taxpayer. Am I correct, Mr. Speaker?

MR. SAN JUAN. The Gentleman is right, Mr. Speaker.

MR. VALDEZ. May I, therefore, propose between "and" and "income," the word OTHER such that the whole line will read: "profits, and OTHER income derived from professions, vocations, trades."

## SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

## RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Mr. Speaker, the sponsor is reluctant to accept the proposed amendment of the Gentleman from Sultan Kudarat because the insertion of the word "other" may cause some problems in the administration of this particular section. Clearly, "gains" and "profits" are two words which convey the meaning of a business transaction, whereas in the case of professionals, this is a performance of service. To avoid any difficulty, may we ask the Gentleman not to insist on his amendment?

MR. VALDEZ. With that explanation, Mr. Speaker, I will not insist on my amendment.

THE PRESIDING OFFICER (Mr. Garcia, M.). The amendment is withdrawn.

The Gentleman from Cebu is recognized.

MR. DAVIDE. Thank you, Mr. Speaker.

First, on line 3, delete the letters "es" of "businesses," and insert the word FROM between "or" and "dealings." On line 4, insert the word OR before "growing." Between "of" and "or," insert PROPERTY. Before "interest," insert ANY and after "interest," insert THEREIN, then delete "in such." On line 5, delete "property," and change "also" to AND. On line 8, substitute the comma (,) after "source" with a colon (:).

The entire line will read: "business, commerce, sales or FROM dealings in property, whether real or personal, OR growing out of the ownership for use of PROPERTY or ANY interest THEREIN; AND from interests, rents, dividends, securities or the transactions of any business carried on for gain or profit, or gains, profits and income of whatever kind and whatever form derived from any source: . . ."

MR. SAN JUAN. Mr. Speaker, may we have any explanation from the sponsor of the proposed amendment?

MR. DAVIDE. Insofar as the first is concerned, Mr. Speaker, grammatically, there is no such word as "businesses." It is a mass noun; and regarding the dealings, it should be FROM dealings because we are indicating the source. One is derived from, the other is from dealings; and the one affecting a property is just a matter of proper wording to avoid repetition. And the colon is basic in proviso; it should not be a comma but a colon.

MR. SAN JUAN. Mr. Speaker, the amendments are accepted by the committee.

THE PRESIDING OFFICER (Mr. Garcia, M.). The committee has accepted all the amendments of the Gentleman from Cebu.

Is there any objection? (*Silence*) The Chair hears none; the amendments are approved.

MR. DAVIDE. On line 15, Mr. Speaker, between "to" and "beneficiaries," insert . . .

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair would like to call the attention of the Gentleman that line 15 is not a subject of any amendment by the committee.

MR. DIEL. Anterior amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cagayan de Oro is recognized.

MR. DIEL. Mr. Speaker, I would like to propose an amendment on line 9. But before I do so, may I just inquire, and if satisfied, I will forego the amendment. When we say, "items of gross income subject to the final income tax under this title," are we assured that all items of gross income are embodied in this provision? Or are said items also provided in other laws and decrees?

MR. SAN JUAN. Will the Gentleman kindly repeat his question?

MR. DIEL. We state here on line 9, "items of gross income subject to the final income tax under this title." My question is: Are we assured that the items of gross income that are subject to the final income tax are all embodied in this title or are they also provided in other laws and decrees?

MR. SAN JUAN. There are actually items of income which are not included and these fall under the category of passive income, which are subject to the final tax.

MR. DIEL. Would it not be proper if we include AND OTHER PERTINENT LAWS after "under this title" which will ensure that these are provided in this section?

MR. SAN JUAN. The paragraph here refers to items of gross income which are covered by this title and insofar as this title is concerned; although those items should be enumerated, these have already been included.

MR. DIEL. With that assurance, Mr. Speaker, I forego my amendment.

Thank you, Mr. Speaker.

MR. BATERINA. Parliamentary inquiry, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Ilocos Sur is recognized.

MR. BATERINA. This humble Member from Ilocos Sur seems to have heard a ruling of the Chair that a portion on page 12 cannot be subject to individual amendments. Which portion of page 12 is not subject to individual amendments, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair did not make any ruling. The Chair only reminded the Gentleman from Cebu that the matter which has been the subject of the committee amendments are on lines 1 to 10. These are set in capitals.

MR. BATERINA. Then the implication is that those which were not touched by the committee amendments would not be amended or perfected by individual amendments.

THE PRESIDING OFFICER (Mr. Garcia, M.). It is up to the sponsor to accept any amendment.

MR. SAN JUAN. Mr. Speaker, in the past sessions of the Batasan, a practice had been introduced where portions of a law which were not proposed to be amended in the bill were subjected to further amendments on the floor. Strictly speaking, that should not be done. But in the spirit of liberality, this Chamber thought it wise to allow such a practice. However, before this Chamber now is a tax measure, and it would be very difficult for the sponsor to just accept amendments on the floor on portions of the Revenue Law which have not been subjected to prior study as it may affect our income. Any word, comma, or construction might mean a lot. And so, we are reluctant to entertain proposed amendments on the floor on portions of the law which are not being recommended for amendments by the committee.

MR. BATERINA. Mr. Speaker, the statement of the sponsor is well put. But if we consider the fact that we are amending a portion of the section, then the other portions of that section may be subject to individual amendments.

MR. SAN JUAN. Only if the amendment proposed by the committee has consequential effects on the other parts of the law which we may have omitted in our study.

MR. BATERINA. With that explanation, I will not ask any questions, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. This amendment will not be very difficult to accept, Mr. Speaker.

On page 15, line 1 . . .

MR. CONCEPCION (D.). Anterior amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from the Youth Sector is recognized.

MR. CONCEPCION (D.). Before I propose my amendment, may I request the distinguished sponsor to clarify the meaning of the word "vocations" appearing on line 2, page 12 and which is included in gross income?

MR. SAN JUAN. Mr. Speaker, the words "professions," "vocations," and "occupations" are almost interrelated but, as explained earlier, the idea is to give this section a more comprehensive meaning. So it was thought best to include also the word "vocations" as among those from which a citizen or an individual may realize income in exercise thereof.

MR. CONCEPCION (D.). Mr. Speaker, is priesthood not a vocation?

MR. SAN JUAN. I suppose that is exempted from taxation in our fundamental law, Mr. Speaker.

MR. CONCEPCION (D.). I understand the only one exempted from taxation is that income derived from religious purposes. Now, if a priest derives income from his vocation, would that be included or excluded?

#### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

#### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The Gentleman from the Youth Sector is recognized.

MR. CONCEPCION (D.). Mr. Speaker, inasmuch as the word "vocation" appears in the original wording of the law sought to be amended by this bill, I will not pursue any amendment.

MR. VALDEZ. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Sultan Kudarat is recognized.

MR. VALDEZ. Thank you, Mr. Speaker.

Before I make a proposal, may I be clarified on the meaning of "sales" on line 3, page 12? To what properties does the word "sales" refer to?

MR. SAN JUAN. Any object of commerce being sold where there is transfer of ownership and a resultant movement of money would be covered by the word "sales," Mr. Speaker.

MR. VALDEZ. Mr. Speaker, I ask the question because in the enumeration that immediately follows, the word "sales" refers to "dealings in property, whether real or personal." I have the impression that this is just a duplication of the other because there is practically no object of sales beyond or outside the areas of real and personal properties. Would it not be in order to delete "sales" because, after all, these are generally covered by the terms "dealings in property, whether real or personal"?

MR. SAN JUAN. Again, this is so stated for reasons of comprehensiveness because there may be dealings in property which will not involve sale but there may be income. For instance, if a property is leased, there can be income but there is no sale.

MR. VALDEZ. But is that not covered by the words "dealings in property whether real or personal"? Precisely, Mr. Speaker, my point was: What is the area of coverage of the word "sales"? What kind of properties are not covered by "dealings in property, whether real or personal"?

MR. SAN JUAN. Mr. Speaker, the Gentleman from Cebu earlier introduced an amendment to insert the word "from" between "or" and "dealings," and that might result in the distinction. So here again, may we ask that the word "sales" be retained?

MR. VALDEZ. Yes, Mr. Speaker. I am not really against the retention but I just want to find out whether there is no duplication or overlapping between these two terms "sales" and "dealings in property, whether real or personal."

MR. SAN JUAN. We understood earlier that there would be no such overlapping, but if ever there would be, it would still be for the benefit of the government.

MR. VALDEZ. What is, therefore, the rationale of retention, Mr. Speaker? May we know so that perhaps this humble Representation may be convinced that the existence and tolerance of these two terms shall be justified in the law?

MR. SAN JUAN. The elimination of "sales," Mr. Speaker, might turn out to be a loophole someday, whereas inclusion will make sure that this would not be used as a loophole for nonpayment of the right amount of tax.

MR. VALDEZ. In other words, Mr. Speaker, does this Representation understand that by eliminating perhaps "dealings in property, whether real or personal," this may entail a situation where there may be a loophole?

MR. SAN JUAN. That is possible, Mr. Speaker.

MR. VALDEZ. And vice versa?

MR. SAN JUAN. That is right, Mr. Speaker.

MR. VALDEZ. Thank you, Mr. Speaker. I will not insist on my proposal.

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. Thank you, Mr. Speaker.

On line 15, between "to" and "beneficiaries," insert the following: THE HEIRS OR so that it will read: "paid to THE HEIRS OR beneficiaries upon the death of the insured, whether in a."

MR. SAN JUAN. Mr. Speaker, with the reservation that this is not to be precedent-setting and because it is clear that this will not harm the bill or the law, we accept the proposed amendment.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 29, Mr. Speaker, after "subdivisions," insert OR INSTRUMENTALITIES.

#### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

#### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The distinguished sponsor is recognized.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. Mr. Speaker, we have no proposed amendments on pages 13 and 14, only at the bottom of page 11, lines 31 and 32.

THE PRESIDING OFFICER (Mr. Garcia, M.). Are there any other objections?

#### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

#### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

MR. SAN JUAN. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The distinguished sponsor is recognized.

MR. SAN JUAN. We ask for a reconsideration of the amendment submitted by the Gentleman from Cebu on page 12, line 29, for the insertion of OR INSTRUMENTALITIES.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

MR. SAN JUAN. The committee rejects the proposed amendment.

MR. DAVIDE. After the explanation given, Mr. Speaker, and knowing the ramifications thereof, it is not just a matter of rejection. The amendment is voluntarily withdrawn.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu has withdrawn his amendment.

MR. SAN JUAN. Thank you, Mr. Speaker.

On page 15, Mr. Speaker, there is no proposed amendment.

MR. CONCEPCION (D.). Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from the Youth Sector is recognized.

MR. CONCEPCION (D.). Mr. Speaker, before I propose my amendment, may I propound some questions to the distinguished sponsor regarding exclusions from gross income?

MR. SAN JUAN. May I know, Mr. Speaker, on what page?

MR. CONCEPCION (D.). On page 12, Mr. Speaker.

MR. SAN JUAN. Mr. Speaker, we are already on page 15.

MR. CONCEPCION (D.). Yes, but I see the title, "Exclusions from gross income." Since there is already an enumeration here, I will not pursue any amendment.

Thank you, Mr. Speaker.

MR. VALDEZ. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Sultan Kudarat is recognized.

MR. VALDEZ. Thank you, Mr. Speaker.

May I go back to page 12? On line 25, delete "by" between "acquired" and "gift" and in lieu thereof, insert the word AS. Delete the "s" in "bequests" to make it singular and between "or" and "descent," insert the word BY. The whole line will read: "acquired AS gift, bequest, devise, or BY descent but the income from such property shall be included in gross income."

#### SUSPENSION OF SESSION

MR. SAN JUAN. Mr. Speaker, may I ask for a recess?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

#### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The Gentleman from Sultan Kudarat is recognized.

MR. VALDEZ. Mr. Speaker, may I know the position of the sponsor before I make my possible withdrawal?

THE PRESIDING OFFICER (Mr. Garcia, M.). The honorable sponsor is recognized.

MR. SAN JUAN. In the first place, this portion is in the existing law and the committee had not chosen it fit to introduce amendments thereon. Therefore, strictly speaking, Mr. Speaker, we may not touch on this at this time. If the Gentleman would wish to do it, he is not precluded from doing so by filing an amendment to that effect. Even the amendment may not be well advised because the phrase, "by gift, bequest, devise, or descent," as constructed in the sentence, carries a mode of conveyance, and changing the word "by" to AS may alter the construction of the sentence radically.

MR. VALDEZ. With that explanation, Mr. Speaker, I will not insist on my proposal.

MR. SAN JUAN. Thank you, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Sultan Kudarat has withdrawn his amendment.

The Gentleman from Cebu is recognized.

MR. DAVIDE. Are we now on page 15, Mr. Speaker?

MR. SAN JUAN. Yes, Mr. Speaker.

MR. DAVIDE. As a consequence of the new provisions found on lines 1 to 10 of page 12, I move to amend line 8, page 15. After the word "trade," insert a comma (,) followed by the word PROFESSION.

#### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

#### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Mr. Speaker, since this appears as a consequence of an earlier amendment on page 12, the committee accepts the proposal.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. Also as a consequence of the new provision on page 12, after "trade" on line 10, insert a comma (,) and the word PROFESSION.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. Mr. Speaker, on line 6, page 15, as a consequence also of the new amendment on page 12, after the word "trade," insert a comma (,) and OR PROFESSION.

MR. SAN JUAN. Mr. Speaker, I wonder if it would be appropriate because the phrase used here is, "in carrying on." If we say that we carry on a profession, the sponsor will accept. But because we have subsequently enumerated here the inclu-

sion of "profession," it may not be necessary at this particular point.

MR. DAVIDE. With the interpretation that it is no longer necessary because of the two succeeding amendments, I will not insist.

THE PRESIDING OFFICER (Mr. Garcia, M.). The amendment is withdrawn.

Page 16 . . . ?

MR. SAN JUAN. Mr. Speaker, the only amendment proposed by the committee appears on line 18, page 16.

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. Mr. Speaker, also as a consequence of the amendments on page 12, line 5, after "trade," insert a comma (,) and PROFESSION.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The amendment has been accepted.

Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 10, after "trade," insert a comma (,) followed by PROFESSION.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 11, after the word "any," insert PROFESSIONAL and a comma (,).

### SUSPENSION OF SESSION

MR. SAN JUAN. Mr. Speaker, may I ask for a recess?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Mr. Speaker, may we appeal to the Gentleman from Region VII to withdraw his

amendment on line 11, page 16 because the same is appropriately covered on page 15 by paragraph "A" of Section 30, which permits of deductions in general?

MR. DAVIDE. I am convinced of the clarification. I will not insist on it.

THE PRESIDING OFFICER (Mr. Garcia, M.). The amendment is withdrawn.

MR. DAVIDE. But on line 22, Mr. Speaker, page 16 . . .

THE PRESIDING OFFICER (Mr. Garcia, M.). Line 22, page 16.

MR. QUIAMBAO. Anterior amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from the National Capital Region is recognized.

MR. QUIAMBAO. On line 15, I move to insert the word LAW and a comma (,) between "to" and "public policy," so that it will read as follows: "In no case shall an entertainment, amusement or recreational expense which is contrary to LAW, public policy or for immoral purposes be allowed as a deduction."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

The Gentleman from Cebu is recognized.

MR. DAVIDE. On line 22, Mr. Speaker, before "business," insert PROFESSIONAL OR.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 23, insert PROFESSIONAL OR before "business."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. No amendment, Mr. Speaker, on page 17.

MR. VALDEZ. On page 16, Mr. Speaker, line 25.



THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman may proceed.

MR. VALDEZ. I propose to insert REQUIREMENTS IN THE between "the" and "preceding," such that the whole line will read: "by regulations provide that some or all of the REQUIREMENTS IN THE preceding sentence shall not apply . . ."

MR. SAN JUAN. I accept the amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. VALDEZ. Thank you, Mr. Speaker.

MR. SAN JUAN. Page 18 . . . ?

MR. QUIAMBAO. Page 16, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from the National Capital Region is recognized.

MR. QUIAMBAO. Before I propose my amendment, may I ask the proponent some questions, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The sponsor may yield if he so desires.

MR. SAN JUAN. Willingly, Mr. Speaker.

MR. QUIAMBAO. On line 24, page 16, I would like to know only what is the standard that may be used so that this will not be constituted as undue delegation of legislative authority to the Minister of Finance.

MR. SAN JUAN. Mr. Speaker, on this paragraph, there are conditions wherein any expense for those purposes enumerated may be considered as allowable deduction or not. And, precisely, it is because of these guidelines that we would wish the Minister of Finance to issue rules and regulations to make sure that revenue collectors from the government would be able to enforce these foregoing provisions.

Those are the guidelines and, therefore, we cannot be charged or be accused of undue delegation.

MR. QUIAMBAO. With the hope that there will be a sufficient basis for the Minister of Finance to act along this line, then I withdraw my proposed amendment.

MR. SAN JUAN. Thank you, Mr. Speaker.

MR. DAVIDE. On page 18, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On line 25, insert the word OF between "and" and "Finance."

MR. SAN JUAN. "Ministries of Education and Culture and OF Finance."

I accept the amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 28, Mr. Speaker, delete the colon (:) after "indebtedness," and after "taxpayer's," add PROFESSION followed by a comma (,).

## SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

## RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Mr. Speaker, this is still a consequence of an earlier amendment.

MR. DAVIDE. Yes, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Has the committee accepted the amendment?

MR. SAN JUAN. Yes, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. No amendments on page 19, Mr. Speaker.

Page 20 . . . ?

MR. DAVIDE. On page 20, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On line 2, after "taxpayer's," insert PROFESSION and a comma (,).

THE PRESIDING OFFICER (Mr. Garcia, M.). What is the pleasure of the sponsor?

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.



THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 9, delete the comma (,) after "estate."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

Page 20 . . . 21 . . . ?

MR. SAN JUAN. On page 21, there is no proposed amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). On page 22 . . .

MR. SAN JUAN. On pages 22 and 23, no proposed amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). On page 24 . . .

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On page 24, line 2, between "trade" and "or," insert PROFESSION then a comma (,).

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 14, Mr. Speaker, before "business," insert PROFESSION followed by a comma (,).

MR. SAN JUAN. Is the Gentleman proposing to insert PROFESSION between "of" and "business" on line 14?

MR. DAVIDE. Yes, Mr. Speaker.

MR. SAN JUAN. And "profession" is to be followed by a comma (,)?

MR. DAVIDE. ". . . PROFESSION, business or activity."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 21, Mr. Speaker, before "trade" insert PROFESSION followed by a comma (,).

MR. SAN JUAN. Mr. Speaker, this now appears to cover transactions, but in the exercise of profession, it may not be appropriate.

MR. DAVIDE. A lawyer may have some business transactions and those transactions are in connection with the exercise of his profession.

MR. SAN JUAN. Then those are not in connection with the exercise of profession. Those might be in pursuit of business but not exercise of profession, so it may not be appropriate in this particular section.

MR. DAVIDE. I agree. I will not insist, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The amendment is withdrawn.

Page 25 . . . ?

MR. SAN JUAN. There is no amendment, Mr. Speaker, on page 25.

MR. DAVIDE. Page 25, Mr. Speaker, line 15.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. Delete "item" and change it to TIME.

MR. SAN JUAN. "Prescribing among other things . . ."

MR. DAVIDE. ". . . the TIME and manner by which the taxpayer shall . . ." instead of "item and manner."

MR. SAN JUAN. I think this is a typographical error, Mr. Speaker. That word is right. The amendment is accepted.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

Page 26 . . . ?

MR. DAVIDE. Page 26, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On line 23, before "trade," insert the word PROFESSION followed by a comma (,).

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection?

MR. CONCEPCION (D.). Mr. Speaker, will the distinguished sponsor yield to a question?

THE PRESIDING OFFICER (Mr. Garcia, M.). On what item?

MR. CONCEPCION (D.). On his amendment, Mr. Speaker.

MR. DAVIDE. The amendment is already accepted by the committee, Mr. Speaker.

MR. CONCEPCION (D.). Yes, but this has not been voted on.

MR. DAVIDE. Gladly, Mr. Speaker.

MR. CONCEPCION (D.). The particular provision which the sponsor amended refers to bad debts. I wonder if there is any profession which, in its course, would incur any bad debts. Will there be any profession where, in the course of its exercise, it would incur any bad debts?

MR. DAVIDE. Definitely, there are, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection to the amendment accepted by the committee? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. Page 27 . . . 28 . . . ?

MR. DAVIDE. On page 27, Mr. Speaker, line 8, before "business," insert PROFESSION followed by a comma (,).

MR. SAN JUAN. Does this paragraph refer to depreciation?

MR. DAVIDE. Yes, Mr. Speaker. Books and other equipment used by professionals in the office will depreciate.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. Page 28 . . . 29 . . . 30 . . . 31 . . . 32 . . . 33 . . . 34 . . . 35 . . . 36 . . . 37 . . . 38 . . . 39 . . . 40 . . . 41 . . . 42 . . . ?

MR. DAVIDE. Page 41, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On lines 26 and 27, delete "not be covered by the penalties under the paragraph," and substitute with the following: BE EXEMPT FROM THE PENALTY. The two lines will read: "income is final shall BE EXEMPT FROM THE PENALTY for failure to pay the tax on such compensation income."

## SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

## RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The Gentleman from Cebu is recognized.

MR. DAVIDE. May I be allowed to reiterate my proposed amendment for the committee to accept or to reject? The amendment will be on lines 26 to 27, page 41. Substitute the clause "not be covered by the penalties under this paragraph" with the following: BE EXEMPT FROM THE PENALTY. So that the two lines will read: "income is final shall BE EXEMPT FROM THE PENALTY for failure to pay the tax on such compensation income."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. Mr. Speaker, as a consequence of the amendment just adopted, may we go back to page 35? On line 2, after "Philippines," change the period to a semicolon (;) and add PROVIDED, HOWEVER, THAT IN THE CASE OF AN INDIVIDUAL WITH COMPENSATION INCOME TAXABLE UNDER SECTION 21(a) AND WHERE THE TAX WITHHELD THEREON IS FINAL, A SIMPLIFIED RETURN SHALL BE FILED WITH THE BUREAU OF INTERNAL REVENUE EITHER DIRECTLY OR THROUGH THE EMPLOYER.

May I ask for the approval of this amendment?

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. And on line 6 of the same page, change "29(a)" in "Section 29(a)" to 28(b).

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. CONCEPCION (D.). Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The distinguished Gentleman from the Youth Sector is recognized.

MR. SAN JUAN. We are now on page 35, Mr. Speaker.

MR. CONCEPCION (D.). Page 37, Mr. Speaker.

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from the Youth Sector has been recognized.

MR. CONCEPCION (D.). I have a proposed amendment on page 37. On line 27, delete letter "A" after "paragraph" and in lieu thereof, insert the following: (B) OF SECTION 21.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On page 38, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). On page 38; the Gentleman may proceed.

MR. DAVIDE. As a consequence of the earlier amendments made yesterday, I move to amend line 11. After "yield," insert OR ANY OTHER MONETARY BENEFIT. Then, delete "yield" before "from," so that the entire line will read: "yield OR ANY OTHER MONETARY BENEFIT from deposit substitutes and from trust funds and."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. Line 15, Mr. Speaker, on the same page 38, insert after "yield": OR ANY OTHER MONETARY BENEFIT. So that the entire line will read: "bank deposits or yield OR ANY OTHER MONETARY BENEFIT from deposit substitutes a final tax equal."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 17, same page, after "yield," insert OR ANY OTHER MONETARY BENEFIT. So that the entire line will read:

"20% of the interest on time deposits or yield OR ANY OTHER MONETARY BENEFIT from."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 18, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On line 18, page 38, delete the period (.) after "substitute" and the word "yield" between "and" and "from."

### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Mr. Speaker, may we ask the Gentleman from Region VII to restate his amendment on lines 17 and 18?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Region VII is recognized.

MR. DAVIDE. On line 17, after "yield" insert OR ANY OTHER MONETARY BENEFIT.

MR. SAN JUAN. We have accepted that, Mr. Speaker, and so has the Body.

Now, on line 18, Mr. Speaker.

MR. DAVIDE. Delete the period (.) after "substitutes" and the word "yield."

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. DAVIDE. On line 22, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On the same page, change "P800" to P1,000 and on line 23, change "P200" to P250 as a consequence of the amendment yesterday.

MR. SAN JUAN. The amounts should both be stated in words and in figures.

MR. DAVIDE. There was a deletion of the amount in words.

MR. SAN JUAN. But we suggest that the amounts be also stated in words.

MR. DAVIDE. Yes, Mr. Speaker.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

Page 39 . . . 40 . . . 41 . . . 42 . . . 43 . . . ?

MR. DAVIDE. Page 43, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). What line on page 43?

MR. DAVIDE. Lines 15 and 16, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Lines 15 and 16; the Gentleman may proceed.

MR. DAVIDE. Delete the comma (,) after "Finance" and change it to a period (.). After "tax," place a comma (,).

MR. SAN JUAN. Will the Gentleman now read the paragraph in its entirety?

MR. DAVIDE. The paragraph will now read:

*"Income tax collected at source—(a) Requirement of withholding.—Every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with regulations to be prepared by the Minister of Finance. The tax withheld is a final tax, except where the personal circumstances or income of the taxpayer change within the taxable year or where the taxpayer has multiple employment."*

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

Page 44 . . . ?

MR. DAVIDE. Page 44, line 17, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. Delete "6%" and substitute it with 12%.

#### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

#### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The Gentleman from Cebu is recognized.

MR. DAVIDE. May I be allowed to modify the amendment? It will now consist of three amendments: the first will be on line 13, change "three" to SIX; second, on line 17, change "6%" to 12%; and third, on line 18, change "three" to SIX. So that lines 12 to 18 will read as follows: "Any excess of the taxes withheld over the tax due from the taxpayer shall be returned or credited within SIX months. Refunds or credits made after such time shall earn interest at the rate of 12% per annum starting after the lapse of the SIX-month period to the date the refund or credit is made."

MR. SAN JUAN. The amendments are accepted, Mr. Speaker.

MR. CONCEPCION (D.). Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). A phrase "from the fifteenth day of April" was omitted.

MR. CONCEPCION (D.). Yes, Mr. Speaker. There will be no references as to where the six-month period will be computed.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Region VII, in reading this paragraph . . .

MR. DAVIDE. It is very clear in the law itself, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). . . . omitted the phrase "from the fifteenth day of April."

MR. DAVIDE. Yes, Mr. Speaker. The six-month period is actually computed from . . .

THE PRESIDING OFFICER (Mr. Garcia, M.). The phrase, "from the fifteenth day of April," was omitted.

MR. CONCEPCION (D.). So, will the distinguished Gentleman from Cebu restate the amendments because he omitted a very important phrase?

MR. DAVIDE. The amendments would only be the change of "three" to SIX and "6%" to 12%.

THE PRESIDING OFFICER (Mr. Garcia, M.). So that phrase "from the fifteenth day of April" will remain in the paragraph.

MR. SAN JUAN. The amendments are accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendments are approved.

MR. DAVIDE. Lines 21 and 22, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Lines 21 and 22; the Gentleman may proceed.

MR. DAVIDE. On the same page, line 21, delete "Chairman" and the comma (.). On line 22, delete "the latter's" and change to ITS.

MR. SAN JUAN. May we know now how this will read, Mr. Speaker?

MR. DAVIDE. It will now read: "countersignature by the Commission on Audit or ITS duly authorized representatives."

#### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

#### RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Before acting on the last amendment proposed by the Gentleman from Region VII, may this Representation ask for the reconsideration of all amendments approved by the Body from lines 13 to 18?

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

MR. SAN JUAN. Mr. Speaker, we wish to retain in the old provisions of this item the following: on line 13, the words "three months"; on line 17, "6%"; and on line 18, "three-month period."

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. I will not insist on the amendments. With respect to the last amendment that I introduced on page 44, I will not also insist on it.

THE PRESIDING OFFICER (Mr. Garcia, M.). We will first dispose of the amendments since these are being withdrawn by the proponent.

Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Now, we go to the amendments on lines 21 and 22.

MR. SAN JUAN. They are being withdrawn by the proponent, Mr. Speaker.

MR. DAVIDE. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. I will not insist on those amendments on page 44. On page 45, Mr. Speaker, line 26, change "Secretary" to MINISTER.

MR. SAN JUAN. The amendment is accepted, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

Page 46 . . . ?

MR. DAVIDE. Page 46, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Cebu is recognized.

MR. DAVIDE. On line 20, after the period (.), add the following paragraph:

SUCH REGULATION SHALL TAKE EFFECT FOLLOWING THE COMPLETION OF ITS PUBLICATION IN TWO NEWSPAPERS OF GENERAL CIRCULATION IN THE PHILIPPINES.

#### SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

## RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Mr. Speaker, I hope the intention of the Gentleman from Region VII, and we would wish to be clarified on this matter, is that the publication shall be necessary for this bill which we are approving now and not necessarily on the entire Internal Revenue Code because this is merely an amendment to the code. If what is to be published would be the provisions of this bill, which is under consideration, we shall be happy to accept the amendment.

MR. DAVIDE. The purpose of the amendment is only to relate this to the rules and regulations to be issued by the Minister of Finance pursuant to his authority under this proposal.

MR. SAN JUAN. We shall accept the amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

## SUSPENSION OF SESSION

MR. SAN JUAN. May I ask for a recess, Mr. Speaker?

THE PRESIDING OFFICER (Mr. Garcia, M.). The Chair declares a recess.

## RESUMPTION OF SESSION

THE PRESIDING OFFICER (Mr. Garcia, M.). The session is resumed.

The honorable sponsor is recognized.

MR. SAN JUAN. Mr. Speaker, we are now on page 46.

THE PRESIDING OFFICER (Mr. Garcia, M.). We are on the last page of Cabinet Bill No. 34.

Are there any amendments?

MR. SARMIENTO. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The Gentleman from Davao del Norte is recognized.

MR. SARMIENTO. I would like to propose an amendment on line 29. Delete the period (.) after "1982" and add the following: AND SHALL BE APPLICABLE TO INCOMES EARNED BEGINNING ON SUCH DATE. The whole Section 17 will read:

"This Act shall take effect on January 1, 1982 AND SHALL BE APPLICABLE TO INCOMES EARNED BEGINNING ON SUCH DATE."

THE PRESIDING OFFICER (Mr. Garcia, M.). What does the sponsor say?

MR. SAN JUAN. The committee accepts the amendment, Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The amendment has been accepted.

Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. SAN JUAN. Mr. Speaker.

THE PRESIDING OFFICER (Mr. Garcia, M.). The honorable sponsor is recognized.

MR. SAN JUAN. For an omnibus amendment, that wherever a percentage appears in number, the same should be expressed in words followed by the number in parentheses.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

MR. ALBANO. Mr. Speaker, since there are no more individual amendments, I move to close the period of individual amendments.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

APPROVAL OF C. B. NO. 34  
ON SECOND READING

MR. ALBANO. Mr. Speaker, I move that we now approve Cabinet Bill No. 34, as amended, on Second Reading.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; Cabinet Bill No. 34, as amended, is approved on Second Reading.

## ADJOURNMENT OF SESSION

MR. ALBANO. Mr. Speaker, I move that we adjourn until Monday at five o'clock in the afternoon.

THE PRESIDING OFFICER (Mr. Garcia, M.). Is there any objection? (*Silence*) The Chair hears none; the session is adjourned until Monday at five o'clock in the afternoon.

*It was 12:55 p.m.*