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SENATE
P. S. R. No. 1692

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

**RESOLUTION
DIRECTING THE PROPER SENATE COMMITTEE
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,
ON THE REPORT THAT SMALL TOWN LOTTERY OPERATORS
OWE THE GOVERNMENT ₱2.9 BILLION IN TAXES**

1 WHEREAS, the Constitution provides, in Article 6, Section 28 (1):

2 The rule of taxation shall be uniform and equitable. The Congress shall
3 evolve a progressive system of taxation.

4 WHEREAS, the *Philippine Daily Inquirer* on 24 November 2015 reported that the
5 Philippine Charity Sweepstakes Office (PCSO) admitted that Small Town Lottery (STL)
6 operators have not paid ₱2.9 billion in taxes after nearly a decade in business;

7 WHEREAS, the arrears are the result of a Supreme Court ruling in 2008 that the STL is
8 covered by a National Internal Revenue Code provision that imposes a 10-centavo documentary
9 stamp tax for every ₱1 bet in any authorized numbers games

10 WHEREAS, the ₱29-billion revenue reported by STL operators from 2006 to 2015
11 allegedly meant they were liable for at least ₱2.9 billion in back taxes, excluding penalties and
12 fees;

13 WHEREAS, Congress should strengthen existing laws to command strict adherence to
14 tax policies, with the ultimate goal of improving tax collections;

15 WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct
16 the proper Senate committee to conduct an inquiry, in aid of legislation, on the report that small
17 town lottery operators owe the government ₱2.9 billion pesos in taxes.

Adopted,


MIRIAM DEFENSOR SANTIAGO
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