


13th CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

'04 JUL -6 A11:26

SENATE

RECEIVED BY: 

S. BILL NO. 1369

Introduced by Senator Ralph G. Recto

EXPLANATORY NOTE

This bill seeks to exempt pop and rock concerts from the amusement tax levied by the provinces by deleting the phrase "except" from Section 140 paragraph (c) of the Local Government Code of 1991.

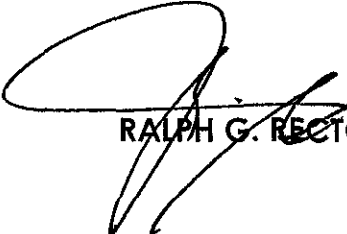
At present, live musical and theatrical productions are lumped together with the movie industry in the application of the amusement tax of 30%. The law perceives that singers, musicians, composers and live theater actors be given the same treatment as their counterpart in the film industry. But beyond the entertainment they provide, live musical and theatrical productions are quite different from film.

Movies can be shown five times or more per day and over an extended run of anywhere from one week to a month. It can be shown in more than a thousand movie houses nationwide. A live musical or theatrical performance by the same performer, on the other hand, can be launched only once in a day before an audience of only several hundreds and can be reprised over a much limited time.

For movies, an add-on tax is placed on the ticket price and is collected only as the viewer enters the movie house to watch the film. While in live musical and theatrical production, regardless of actual public attendance or ticket sales, thirty percent (30%) amusement tax is deducted in advance from the expected gross sales of the production.

This legislation will level the playing field in the application of the amusement tax within the same entertainment genre, that is, the musical form -- be it classical, jazz, pop, rock, opera, etc., distinct from the movie and broadcast form of entertainment.


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


RALPH G. RECTO

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**AN ACT
EXEMPTING POP AND ROCK CONCERTS FROM THE AMUSEMENT TAX, AMENDING
FOR THE PURPOSE SECTION 140 OF THE LOCAL GOVERNMENT CODE OF 1991**

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

1 **SECTION 1.** Section 140 of the Local Government Code of 1991 is hereby
2 amended to read as follows:

3 "SEC. 140. *Amusement Tax.* - X X X

4 "X X X

5 "(c) The holding of operas, concerts, dramas, recitals, painting and
6 art exhibitions, flowers shows, musical programs, literary and oratorical
7 presentations, [except] pop, rock, or similar concerts shall be exempt from
8 the payment of the tax herein imposed.

9 "X X X."

10 **SEC. 2.** *Repealing Clause.* - All laws, presidential decrees, executive
11 orders, rules and regulations or parts thereof inconsistent with the provisions of this
12 Act are hereby repealed or modified accordingly.

13 **SEC. 4.** *Separability Clause.* - If any provision of this Act shall be declared
14 unconstitutional or invalid, the other provisions not otherwise affected thereby
15 shall remain in full force and effect.

16 **SEC. 5.** *Effectivity Clause.* - This Act shall take effect fifteen (15) days after
17 its complete publication in a newspaper of general circulation.

18 Approved,