

THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)

5 OCT 13 11 51

SENATE
P. S. R. No. 357

RECEIVED BY: Ab

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON ENERGY, SENATE COMMITTEE ON FINANCE, AND THE SENATE COMMITTEE ON WAYS AND MEANS TO CONDUCT AN INQUIRY IN AID OF LEGISLATION ON THE PREVALENCE OF FUEL SMUGGLING IN THE COUNTRY

WHEREAS, the Department of Finance (DOF) and the Bureau of Customs (BOC) estimate that the government loses Php9.5 billion in revenues every year due to fuel smuggling;

WHEREAS, Php7 billion is lost annually in the form of excise taxes, and Php2.5 billion in the form of uncollected import duties;

WHEREAS, fuel smuggling is also evident in the contrasting data of the Department of Energy (DOE) and the National Tax Research Center (NTRC);

WHEREAS, according to the DOE, gasoline consumption increased from 23.3 million barrels in 1998 to 24.6 million barrels in 2003;

WHEREAS, the NTRC, on the other hand, reported that based on actual taxes collected, gasoline sales dropped from 3.44 billion liters to 2.56 billion liters during the same period;

WHEREAS, consequently, excise tax collected on gasoline dropped from Php17.27 billion in 1998 to Php11.53 billion in 2003, considering the fact that this happened when car registration shot from 3.533 million units to 4.293 million units,

WHEREAS, these alarming figures point to the prevalence of fuel smuggling in the country; they also raise the question of how much fuel is brought into the market without being subjected to the right amount of tax;

WHEREAS, according to Finance Secretary Margarito Teves, the lack of evidence has made it difficult for the BOC to confiscate suspected smuggled fuel or prosecute the offenders;

WHEREAS, the government in coordination with interest groups should come up with mechanisms and strategies to curb the growing incidence of fuel smuggling in the country;

WHEREFORE, be it resolved, as it is hereby resolved by the Philippine Senate, to direct the Senate Committee on Energy, Senate Committee on Finance, and the Senate Committee on Ways and Means to conduct an inquiry in aid of legislation on the prevalence of fuel smuggling in the country.

Adopted,


MIRIAM DEFENSOR SANTIAGO