

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*Second Regular Session* )



23 SEP 11 P5:50

SENATE

P.S. Resolution No. 790

RECEIVED BY: 

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Prepared by the Committee on Foreign Relations

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**RESOLUTION**

**CONCURRING IN THE RATIFICATION OF THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF HIS MAJESTY THE SULTAN AND YANG DI-PERTUAN OF BRUNEI DARUSSALAM FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME**

1       **WHEREAS**, Article VII, Section 21 of the 1987 Philippine Constitution states  
2 that, "No treaty or international agreement shall be valid and effective unless  
3 concurred in by at least two-thirds of all the Members of the Senate";  
4

5       **WHEREAS**, the *Agreement between the Government of the Republic of the*  
6 *Philippines and the Government of His Majesty the Sultan and Yang Di-Pertuan of*  
7 *Brunei Darussalam for the Avoidance of Double Taxation and the Prevention of Fiscal*  
8 *Evasion with Respect to Taxes on Income* was signed on 16 July 2021 in Bandar Seri  
9 Begawan, Brunei Darussalam;  
10

11       **WHEREAS**, the Agreement shall apply to persons who are residents of one or  
12 both of the Contracting States and to taxes on income imposed on behalf of a  
13 Contracting State irrespective of the manner in which they are levied;  
14

15       **WHEREAS**, in the case of the Philippines, the Agreement shall apply to existing  
16 taxes on individuals, corporations, estates and trusts, withholding tax on income, and  
17 stock transaction, while for Brunei Darussalam, it shall apply to existing taxes on

1 income imposed under its Income Tax Act and petroleum profits under its Income Tax  
2 (Petroleum) Act;

3

4 **WHEREAS**, the Agreement aims to: (a) strengthen the Philippines’  
5 commitment to the Association of Southeast Asian Nations (ASEAN) Forum on  
6 Taxation; (b) mitigate the adverse effects of double taxation on the profits of business  
7 enterprises in cross-border transactions; (c) enhance bilateral trade relations between  
8 the Philippines and Brunei Darussalam; (d) generate more employment for Filipinos in  
9 Brunei Darussalam; (e) encourage investors to invest in both countries; and (f)  
10 promote inbound transfer of technology and skills;

11

12 **WHEREAS**, the Agreement seeks to deepen economic relations between the  
13 Philippines and Brunei Darussalam by enhancing their cooperation on tax matters. It  
14 also seeks to address the adverse effects of double taxation on the free flow of trade  
15 and investments and further strengthen enforcement of both countries’ domestic laws  
16 to reduce tax evasion;

17

18 **WHEREAS**, the President of the Philippines ratified the Agreement on 20  
19 February 2023 and has submitted it to the Senate for concurrence, in accordance with  
20 the Constitution;

21

22 **WHEREAS**, in the hearing conducted by the Senate Committee on Foreign  
23 Relations on 25 April 2023, the following government agencies endorsed the  
24 concurrence to the ratification of the Agreement:

25

- 26 1. Department of Foreign Affairs;
- 27 2. Department of Finance;
- 28 3. Department of Justice;
- 29 4. Bureau of Internal Revenue; and
- 30 5. Philippine Board of Investments.

1           ***Now, therefore, be it***

2

3           ***RESOLVED***, That the Senate of the Philippines concur, as it hereby concurs,  
4 in the Philippine ratification of the Agreement between the Government of the Republic  
5 of the Philippines and the Government of His Majesty the Sultan and Yang Di-Pertuan  
6 of Brunei Darussalam for the Avoidance of Double Taxation and the Prevention of  
7 Fiscal Evasion with Respect to Taxes on Income.

8

9           ***RESOLVED, finally***, That the President of the Philippines may, with the  
10 concurrence of the Senate, withdraw from the Agreement.

*Adopted,*

  
**IMEE R. MARCOS**