

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

OFFICE OF THE CLERK
SENATE
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SENATE
P.S. Res. No. **1393**

RECEIVED

Introduced by Senators Lacson and Enrile

RESOLUTION
EXPRESSING THE SENSE OF THE SENATE URGING THE DEPARTMENT OF FINANCE THROUGH THE BUREAU OF INTERNAL REVENUE TO DEFER THE IMPOSITION AND COLLECTION OF DOCUMENTARY STAMP TAX (DST) ON REMITTANCES MADE BY REGISTERED OVERSEAS FILIPINO WORKERS (OFWs) IN ORDER TO ALLEVIATE THE PLIGHT OF FAMILIES OF OFWs AFFECTED BY TYPHOONS ONDOY AND PEPENG.

WHEREAS, under the Tax Reform Act of 1997, money transfers from a foreign country payable in the Philippines including Overseas Filipino Workers (OFWs) remittances are subject to a documentary stamp tax (DST) of Php 0.30 on each Php 200 under Section 181 of the Tax Code and implemented under Revenue Regulations No. 13-2004.

WHEREAS, there are legislative measures, namely S. No. 2479 and S. No. 3255, filed and pending in the Senate, which seek to exempt money transfer to the Philippines by overseas Filipino workers (ofws) from the documentary stamp tax, amending for the purpose Section 181 of the National Internal Revenue Code of 1997, as amended.

WHEREAS, in a public hearing conducted last August 11, 2009 of the Committee on Ways and Means, the passage of S. Nos. 2479 and 3255 was unanimously endorsed by the Bangko Sentral ng Pilipinas, National Tax Research Center (NTRC), Commission on Filipino Overseas and Overseas Workers Welfare Administration (OWWA);

WHEREAS, the Committee on Ways and Means is ready to report out said bills upon receipt of its house bill counterpart as mandated under Section 24, Article VI of the 1987 Constitution.

WHEREAS, the deferment of the imposition and collection of DST would encourage the OFWs to course their remittances through the legal and formal channels such as banks and forex remittance companies;

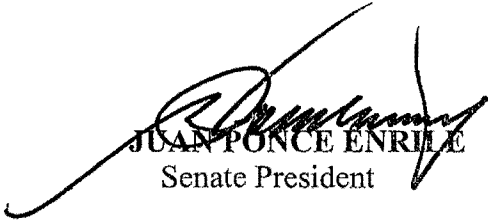
WHEREAS, due to the damages caused by typhoons Ondoy and Pepeng, there is an imperative need to assist the affected families in order to alleviate their lives and ease out some of their financial burden;

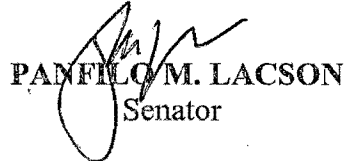
WHEREAS, the estimate revenue loss in DST collection from OFWs remittance may be recouped from the increased entry of foreign currency since our OFWs will now use the legal and formal remittance channel: Now, therefore, be it

RESOLVED BY THE SENATE, To express its sense by urging the Department of Finance through the Bureau of Internal Revenue to defer the imposition and collection of Documentary Stamp Tax (DST) on remittances made by registered overseas Filipino workers (ofws) in order to alleviate the plight of OFW's families affected by typhoons Ondoy and Pepeng.

RESOLVED FINALLY THAT copy of this resolution be furnished immediately to the Department of Finance and Bureau of Internal Revenue for proper implementation.

Adopted,


JUAN PONCE ENRILE
Senate President


PANFILO M. LACSON
Senator