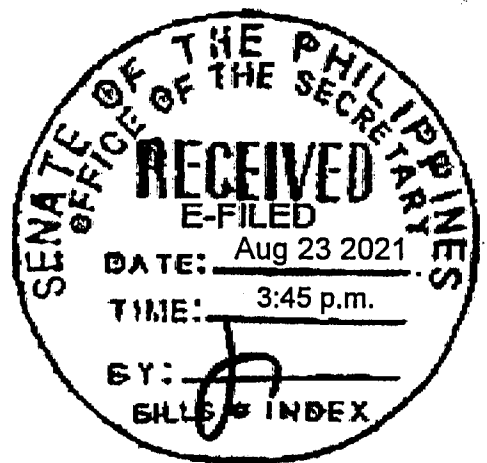


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE
S. No. 2363

Introduced by SENATOR RAMON BONG REVILLA, JR.

**AN ACT
EXEMPTING FROM TAX ALL DONATIONS, GRANTS, ENDOWMENTS, OR
CONTRIBUTIONS USED ACTUALLY, DIRECTLY, AND EXCLUSIVELY FOR
GOVERNMENT'S YOUTH AND SPORTS DEVELOPMENT PROGRAMS AND
SPORTS COMPETITIONS**

EXPLANATORY NOTE

With the historic Olympic gold medal win of weightlifter Hidilyn Diaz, we witnessed how sports could unite and bring pride and joy to the entire nation. Filipinos rallied behind her and threw full support to the Philippine contingent, as they compete in the biggest sporting stage. The country's largest medal haul in the 2020 Tokyo Olympics almost a century since it participated in the quadrennial meet unveiled the true potential, strong commitment and world-class caliber of our athletes. Given the much-needed support and necessary interventions, there is no doubt that Filipino athletes could perform even better and bring great honor to the country in the years to come.

This bill seeks to enhance the government's youth and sports development programs and sports competitions by encouraging the private sector to support and contribute resources to abovementioned endeavors through tax exemption. As limitations in funding remain as the biggest roadblock to effectively training and fully developing athletes at the grassroots level, it is hoped that private citizens and corporations could fill in the gap in nurturing our young athletes and budding champions. Moreover, this measure aims to upgrade sports facilities and equipment

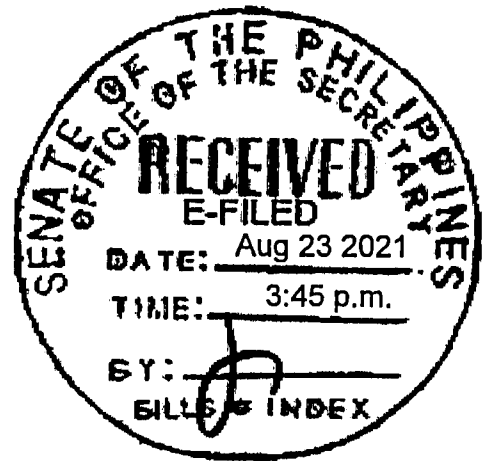
available to students in public educational institutions, and to instill a sports culture and discipline to the younger generation.

It follows the tax relief provided under Republic Act No. 11470 for the National Academy of Sports (NAS). Under the said law, all grants, bequests and donations for the benefit of the NAS System, its support and/or maintenance, or for aid to any of any of its students are tax-exempt and fully deductible from the gross income of the donors.

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


RAMON BONG REVILLA, JR.

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

1 Section 1. *Short Title.* - This Act shall be known as the "Tax Exemption for
2 *Donations for Youth and Sports Development Act.*"

3 Sec. 2. *Declaration of Policy.* - The State prioritizes education, science and
4 technology, arts, culture, and sports to foster patriotism and nationalism, accelerate
5 social progress, and promote total human liberation and development. The State also
6 promotes physical education and encourages sports programs, league competitions,
7 and amateur sports, including training for international competitions, to foster self-
8 discipline, teamwork, and excellence for the development of a healthy and alert
9 citizenry. Moreover, all educational institutions shall undertake regular sports activities
10 throughout the country in cooperation with athletic clubs and other sectors. Towards
11 this end, the State shall foster the participation of the private sector in youth and
12 sports development through voluntary sharing of resources.

13 Sec. 3. *Definition of Terms.* - For purposes of this Act, the following terms shall
14 be defined as follows:

- 1 a) *Public educational institutions* – refer to all organizations established by the
2 government primarily for the education of students, whether in the primary,
3 secondary or tertiary level;
- 4 b) *Tax exemption* – refers to measures exempting taxpayers, whether
5 individuals or entities, from the payment of tax, including Donor’s Tax and
6 all other taxes and fees, arising from and related to the donation, grant,
7 endowment, or contribution of money or property for youth and sports
8 development and sports competitions; and
- 9 c) *Sports competitions* – refer to sports competitions sanctioned and funded
10 by the government at the national and international levels that aim to
11 develop Filipino athletes, enable them to gain experience and improve their
12 performance, and to promote sports in general.

13 Sec. 4. *Tax Exemption.* – The provision of any law to the contrary
14 notwithstanding, all donations, grants, endowments or contributions to youth and
15 sports development programs and activities of public educational institutions, local
16 government units and other government agencies in charge of youth and sports
17 development, as well as government-sanctioned and –funded sports competitions at
18 the national and international levels shall be exempt from tax and shall be deductible
19 from the taxable income of the donor; Provided, that such donations, grants,
20 endowments, or contributions are used actually, directly, and exclusively for youth and
21 sports development and government-sanctioned and –funded sports competitions.

22 Sec. 5. *Effect on Existing Exemptions.* – Any exemptions enjoyed by the donor
23 under any existing law shall not be impacted by an action performed by the same
24 donor to effect a donation to public educational institutions, local government units
25 and other government agencies in charge of youth and sports development.

26 Sec. 6. *Valuation.* – For purposes of this Act, the equivalent monetary value of
27 properties donated, granted, endowed, or contributed shall be the acquisition cost of
28 the property or the certified book value thereof. Such valuation shall take into
29 consideration the depreciated value of the property in case the same has been
30 previously used by the donor.

31 Sec. 7. *Implementing Rules and Regulations.* – The Department of Finance,
32 Bureau of Internal Revenue and other concerned agencies shall promulgate and issue

1 the Implementing Rules and Regulations within ninety (90) days upon approval of this
2 Act.

3 *Sec. 8. Separability Clause.* – If any provision or part hereof is held invalid or
4 unconstitutional, the remainder of the law or the provision or part not otherwise
5 affected shall remain valid and subsisting.

6 *Sec. 9. Repealing Clause.* – Any law, presidential decree or issuance, executive
7 order, letter of instruction, administrative order, rule, or regulation contrary to or
8 inconsistent with the provisions of this Act are hereby repealed, modified, or amended
9 accordingly.

10 *Sec. 10. Effectivity.* – This Act shall take effect fifteen (15) days after its
11 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,