

Republic of the Philippines
Department of Social Welfare and Development
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05 February 2015

ATTY. RODELIO T. DASCIL, MNSA
Director General
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Senate of the Philippines
Pasay City

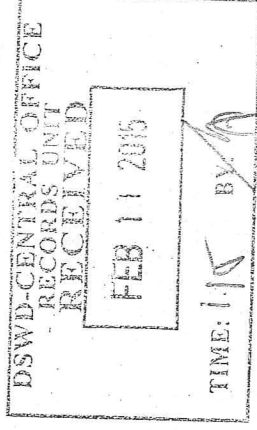
Dear **Atty. Dascil**,

This refers to your letter dated 21 January 2015 requesting for our recommendations on the following Senate Bills namely;

1. Senate Bill No. 538 (Sen. Loren Legarda) – An Act Amending Section 107(A) of the NIRC Seeking to Exempt from the Imposition of Value Added Tax Donated Importations of Items or Goods which are for Non-Profit, Charitable, Humanitarian, and Relief Purposes;
2. Senate Bill No. 1500 (Sen. Jinggoy Estrada) – An Act Amending Section 107(A) of the NIRC Seeking to Exempt from the Imposition of Value Added Tax Donated Importations of Items or Goods which are for Non-Profit, Charitable, Humanitarian, and Relief Purposes; and
3. Senate Bill No. 2483 (Sen. Ralph Recto) – An Act Exempting Persons With Disabilities (PWD) from the Value Added Tax on Certain Goods and Services, Amending for this Purpose Republic Act No. 7277, as Amended, Otherwise Known as the “Magna Carta for Persons with Disability.”

We express our full support for the passage of Senate Bill Nos. 538 and 1500, since it will expedite the entry and the delivery of donations for the benefit of the poor, vulnerable, and the disadvantaged.

However, please consider the following recommendations for donations which do not undergo the process of exemption from import duties but are exclusively for non-profit, charitable, humanitarian and relief purposes:



- For government agency consignees – the Office of the President shall ensure the necessary clearances to cover the donations upon favorable endorsement by the DSWD with respect to relief clothing and food, Department of Health (DOH) with respect to medicines and the Department of National Defense (DND) with respect to rehabilitation equipment as basis for the Bureau of Customs (BOC) to process and facilitate the release of the donations.
- For private organization consignees – VAT exemption shall only be granted upon acquiring the necessary clearance from the Department of Finance and upon favorable endorsement by the national government agency regulating the consignee private organization (e.g. DSWD to provide favorable endorsement if the consignee private organization is a DSWD registered/licensed/accredited social welfare and development agency.)

On the other hand, the department similarly supports the passage of Senate Bill No. 2483 which exempts the Persons With Disabilities (PWD) from the payment of the Value-Added Tax on certain goods for this will help them to earn extra-savings from their purchases and will grant the same benefits and privileges with our senior citizens as both of them are recognized and significant members of our society.

Thank you.

Very truly yours,



CORAZON JULIANO-SOLIMAN
Secretary