

**TWENTIETH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES**
First Regular Session

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25 JUL -2 26:05

SENATE

S. NO. 60

REC'D _____

Introduced by **SEN. WIN GATCHALIAN**

**AN ACT
DECLARING A ONE-TIME AMNESTY ON ALL UNPAID INTERNAL REVENUE
TAXES IMPOSED BY THE NATIONAL GOVERNMENT FOR TAXABLE YEAR
2024 AND PRIOR YEARS**

EXPLANATORY NOTE

In 2018, Republic Act No. 10963, otherwise known as the Tax Reform or Acceleration and Inclusion (TRAIN) Act was passed into law. In order to complement this reform, Republic Act No. 11213, otherwise known as the Tax Amnesty Act, was signed into law on February 14, 2019, which aims to serve a two-fold purpose: one, to provide taxpayers a fresh start by granting an opportunity to settle outstanding tax liabilities; and two, to improve the government's tax administration and revenue collection by expanding the tax base. However, the President vetoed the provisions on general amnesty for all unpaid internal revenue taxes due to lack of proper safeguards and measures against tax evasion.

In 2024, Republic Act No. 11976 or the Ease of Paying Taxes (EOPT) Act was passed into law. This law modernizes and streamlines tax administration in order to increase its efficiency and effectiveness, having one of its end goals as to increase voluntary taxpayer compliance. In addition, Republic Act No. 12066 referred to as the CREATE MORE Act was enacted. One of the rationale of its enactment is the clarification of the inconsistencies in Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act and its Implementing Rules and Regulations which has led to the imposition of penalties to Registered Business Enterprises who fell victim to such inconsistencies.

In order to aid in the realization of the goals of the EOPT Act and to complement the reforms introduced by the CREATE MORE, the General Tax Amnesty Act of 2025 is hereby proposed.

This bill encourages taxpayers' voluntary compliance to their tax obligations by giving them a reprieve on penalties and interests on unpaid taxes. This bill also addresses the lack of safeguards against tax evasion by including provisions on lifting of bank secrecy, automatic exchange of information, and penalties for untruthful net worth or total asset declarations.

This enhanced general tax amnesty program will create a balance by offering taxpayers an opportunity to start with a clean slate while upholding the government's integrity through implementation of transparent policies.

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



EDWIN GATCHALIAN

SENATE
S.B. NO. 60

RECEIVED



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AN ACT
**DECLARING A ONE-TIME AMNESTY ON ALL UNPAID INTERNAL REVENUE
TAXES IMPOSED BY THE NATIONAL GOVERNMENT FOR TAXABLE YEAR
2024 AND PRIOR YEARS**

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

1 **SECTION 1. Short Title.** – This Act shall be known as the "General Tax Amnesty
2 Act of 2025".

3 **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the State to
4 protect and enhance revenue administration and collection, and make the country's
5 tax system more equitable, by simplifying the tax compliance requirements. Towards
6 this end, the State shall:

7 (a) Broaden the tax base by offering a one-time general tax amnesty of all
8 internal revenue tax obligations that will help cleanse, organize, and
9 improve the Bureau of Internal Revenue database; and

10 (b) Provide a more equitable tax system by adopting a comprehensive tax
11 reform program that will simplify the requirements on tax amnesties with
12 the use of simplified forms, and utilization of information technology in

1 broadening the tax base.

2 **SEC. 3. *Definition of Terms.*** – As used in this Act:

3 (a) *Statement of Assets, Liabilities, and Networth* refers to a declaration of the
4 assets, liabilities, and networth as of December 31, 2024, as follows:

5 (1) Assets within or without the Philippines, whether real or personal,
6 tangible or intangible, whether or not used in trade or business:
7 *Provided,* That property other than money shall be valued at the cost
8 at which the property was acquired: *Provided, further,* That foreign
9 currency assets and/or securities shall be valued at the rate of
10 exchange prevailing as of the date of the Statement of Assets,
11 Liabilities, and Networth;

12 (2) All existing liabilities which are legitimate and enforceable, secured or
13 unsecured, whether or not incurred in trade or business; and

14 (3) The networth of the taxpayer, which shall be the difference between
15 the total assets and total liabilities.

16 (b) *Total Asset* refers to the amount of the aggregate assets whether within or
17 without the Philippines, real or personal, tangible or intangible, or ordinary
18 or capital.

19 **SEC. 4. *Coverage.*** – There is hereby authorized and granted a tax amnesty,
20 hereinafter called General Tax Amnesty, which shall cover all national internal revenue
21 taxes such as, but not limited to, income tax, withholding tax, capital gains tax, donor's
22 tax, value-added tax, other percentage taxes, excise tax and documentary stamp tax
23 collected by the Bureau of Internal Revenue, including value-added tax and excise
24 taxes collected by the Bureau of Customs for taxable year 2024 and prior years, with

1 or without assessments duly issued therefor, that have remained unpaid: *Provided,*
2 *however,* That the General Tax Amnesty hereby authorized and granted shall not cover
3 estate tax and persons or cases enumerated under Section 10 hereof.

4 **SEC. 5. Entitlement Under the General Tax Amnesty.** – Any person, whether
5 natural or juridical, who is covered by this law, may enjoy the immunities and privileges
6 of the General Tax Amnesty by paying, at the taxpayer's option, an amnesty tax at:

7 (i) the rate of two percent (2%) based on the taxpayer's total assets as of
8 December 31, 2024, as declared in the Statement of Total Assets; or

9 (ii) based on the taxpayer's total networth as of December 31, 2024, as
10 declared in the Statement of Assets, Liabilities, and Networth filed pursuant
11 to Section 6 hereof and in accordance with the following schedule of
12 amnesty tax rates and minimum amnesty tax payments required:

13 (a) Individual (whether resident or nonresident citizens, including resident
14 or nonresident aliens), Trusts and Estates.....5% or ₱100,000,
15 whichever is higher.

16 (b) Corporations

17 (1) With subscribed capital of above ₱50 million.....5% or
18 ₱1,300,000, whichever is higher.

19 (2) With subscribed capital of above ₱20 million up to ₱50
20 million.....5% or ₱650,000, whichever is higher.

21 (3) With subscribed capital of ₱5 million up to ₱20 million.....5%
22 or ₱350,000, whichever is higher.

23 (4) With subscribed capital of below ₱5 million.....5% or ₱150,000,
24 whichever is higher.

(c) Other juridical entities, including, but not limited to, cooperatives and foundations, that have become taxable as of December 31, 2024.....5% or ₱100,000, whichever is higher.

Provided, That if the taxpayer opts to pay the amnesty tax based on total networth and the computed networth is negative, the taxpayer may still avail of the benefits of tax amnesty, and pay the minimum amnesty tax.

SEC. 6. *Availment of the General Tax Amnesty; When and Where to File and Pay.* – Any person, natural or juridical, who wishes to avail of the General Tax Amnesty shall, within one (1) year from the effectivity of the Implementing Rules and Regulations, file, either electronically or manually, with any authorized agent bank, Revenue District Office through Revenue Collection Officer, or authorized tax software provider, a sworn General Tax Amnesty Return accompanied by a notarized Statement of Total Assets or notarized Statement of Assets, Liabilities, and Networth, as the case maybe, in such forms as may be prescribed in the Implementing Rules and Regulations, as of December 31, 2024. The payment of the amnesty tax shall be made, either electronically or manually, at the time the return is filed with any authorized agent bank, Revenue District Office through Revenue Collection Officer, or authorized tax software provider: *Provided,* That the Revenue District Officer shall issue and endorse an Acceptance Payment Form, in such form as may be prescribed in the Implementing Rules and Regulations of this Act authorizing the authorized agent bank, the Revenue District Office through the Revenue Collection Officer or authorized software provider, to accept the amnesty tax payment.

The availment of the General Tax Amnesty and the issuance of the corresponding Acceptance Payment Form do not imply any admission of criminal, civil or

1 administrative liability on the part of the availing taxpayer.

2 If the tax amnesty is availed based on the period indicated hereunder, the
3 taxpayer shall be entitled to the corresponding reduction in the total amnesty tax due:

4 (a) If paid on or before the end of the third calendar month from the effectivity
5 of the Implementing Rules and Regulations.....20%;

6 (b) If paid after the end of the third calendar month until the end of the sixth
7 calendar month from the effectivity of the Implementing Rules and
8 Regulations.....15%; and

9 (c) If paid after the end of the sixth calendar month until the end of the ninth
10 calendar month from the effectivity of the Implementing Rules and
11 Regulations.....10%.

12 *Provided, finally, That, notwithstanding any contrary provision of Republic Act*
13 *No. 1405, otherwise known as the Bank Secrecy Law, Republic Act No. 6426, otherwise*
14 *known as the Foreign Currency Deposit Act of the Philippines, and other general or*
15 *special laws, and for purposes of validation relative to availment of the General Tax*
16 *Amnesty, the filing of a sworn General Tax Amnesty Return authorizes the*
17 *Commissioner of Internal Revenue for the duration of the one (1) year period of*
18 *availment of the General Tax Amnesty to inquire into and receive information on the*
19 *taxpayer's bank deposits and other related data held by local and foreign financial*
20 *institutions, and to exchange information with a foreign tax authority pursuant to an*
21 *international convention, agreement, or treaty to which the Philippines is a signatory*
22 *or party thereof, duly ratified and concurred in by the Senate of the Philippines.*

23 **SEC. 7.** *Contents of the Statement of Total Assets and Statement of Assets,*
24 *Liabilities, and Net Worth. –*

1 (A) The Statement of Total Assets shall contain a declaration of the total assets
2 as of December 31, 2024, as follows:

3 (1) Assets within or without the Philippines, whether real or personal,
4 tangible or intangible, whether or not used in trade or business:

5 (a) Real properties shall be accompanied by a description of their
6 classification, exact location, and valued at the actual acquisition
7 cost, zonal value, or the Schedule of Market Values at the time
8 of acquisition, whichever is higher, if acquired by purchase;
9 *Provided*, That if the real properties are acquired through
10 inheritance or donation, it shall be valued at the actual price as
11 stated in the real property transaction documents, zonal value,
12 or the Schedule of Market Values, whichever is higher;

13 (b) Personal properties other than money, shall be accompanied by
14 a specific description of the kind and number of assets (*e.g.*
15 automobiles, shares of stock, etc.) or other investments,
16 indicating the acquisition cost less the accumulated depreciation
17 or amortization, or the corresponding book value for shares of
18 stock, in proper cases, if acquired by purchase, or the fair market
19 price or value at the date of the Statement of Total Assets, if
20 acquired through inheritance or donation;

21 (c) Assets denominated in foreign currency shall be converted into
22 the corresponding Philippine currency equivalent, at the rate of
23 exchange prevailing as of the date of the Statement of Total
24 Assets; and

1 (d) Cash on hand and in bank in peso as of the date of the Statement
2 of Total Assets, as well as cash on hand and in bank in foreign
3 currency, converted to Philippine peso at the rate of exchange
4 prevailing as of the date of the Statement of Total Assets.

5 (B) The Statement of Assets, Liabilities, and Networth shall contain a true and
6 complete declaration of assets, liabilities, and networth of the taxpayer as
7 of December 31, 2024, as follows:

8 (1) Assets within or without the Philippines, whether real or personal,
9 tangible or intangible, whether or not used in trade or business:

10 (a) Real properties shall be accompanied by a description of their
11 classification, exact location, and valued at the actual acquisition
12 cost, zonal value, or the Schedule of Market Values at the time
13 of acquisition, whichever is higher, if acquired by purchase;
14 *Provided*, That if the real properties are acquired through
15 inheritance or donation, it shall be valued at the actual price as
16 stated in the real property transaction documents, zonal value,
17 or the Schedule of Market Values, whichever is higher;

18 (b) Personal properties other than money, shall be accompanied by
19 a specific description of the kind and number of assets (*e.g.*
20 automobiles, shares of stock, etc.) or other investments,
21 indicating the acquisition cost less the accumulated depreciation
22 or amortization, or the corresponding book value for shares of
23 stock, in proper cases, if acquired by purchase, or the fair market
24 price or value at the date of the Statement of Assets, Liabilities,

and Networth, if acquired through inheritance or donation;

(c) Assets denominated in foreign currency shall be converted into the corresponding Philippine currency equivalent, at the rate of exchange prevailing as of the date of the Statement of Assets, Liabilities, and Networth; and

(d) Cash on hand and in bank in peso as of the date of the Statement of Assets, Liabilities, and Networth, as well as cash on hand and in bank in foreign currency, converted to Philippine peso at the rate of exchange prevailing as of the date of the Statement of Assets, Liabilities, and Networth.

(2) All existing liabilities, which are legitimate and enforceable, secured or unsecured, whether or not incurred in trade or business, disclosing or indicating clearly the name and address of the creditor and the amount of the corresponding liability. Foreign currency denominated liabilities are converted to Philippine peso at the rate of exchange prevailing as of the date of the Statement of Assets, Liabilities, and Networth.

(3) The total networth of the taxpayer, which shall be the difference between the total assets and total liabilities.

SEC. 8. *Presumption of Correctness of the Statement of Total Assets, and Statement of Assets, Liabilities, and Networth.* – The Statement of Total Assets or the Statement of Assets, Liabilities, and Networth, filed at the option of the taxpayer shall be considered true and correct, except where the amount of total assets or networth as declared in the Tax Amnesty Return, Statement of Total Assets, or Statement of Assets, Liabilities, and Networth is understated to the extent of thirty percent (30%)

1 or more as may be established by the Commissioner of Internal Revenue: *Provided*,
2 That the Commissioner of Internal Revenue shall make such determination within a
3 period of one (1) year from the avilment of General Tax Amnesty.

4 The Acceptance Payment Form, and the General Tax Amnesty Return shall be
5 submitted to the Revenue District Office after complete payment. The completion of
6 these requirements shall be deemed full compliance with the provisions of this Act. A
7 Certificate of Availment of the General Tax Amnesty shall be issued by the Bureau of
8 Internal Revenue within fifteen (15) calendar days from submission to the Bureau of
9 Internal Revenue of the Acceptance Payment Form and the General Tax Amnesty
10 Return. Otherwise, the duplicate copies, stamped as received, of the Acceptance
11 Payment Form, and the General Tax Amnesty Return shall be deemed as sufficient
12 proof of availment.

13 **SEC. 9. Immunities and Privileges.** – Those who avail of the General Tax Amnesty
14 and have fully complied with all the conditions set forth in this Act and upon payment
15 of the amnesty tax shall be entitled to the following immunities and privileges:

16 (a) With respect to the years covered by the tax amnesty, the taxpayer shall
17 be immune from the payment of taxes, as well as additions thereto, and
18 from all appurtenant civil, criminal, and administrative cases and penalties
19 under the National Internal Revenue Code of 1997, as amended, arising
20 from the failure to pay any and all internal revenue taxes for taxable year
21 2024 and prior years and from such other investigations or suits insofar as
22 they relate to the assets, liabilities, networth, and internal revenue taxes
23 that are subject of the tax amnesty.

24 (b) Any information or data contained in, derived from or provided by a

1 taxpayer in the Tax Amnesty Return, Statement of Total Assets or
2 Statement of Assets, Liabilities, and Networth, as the case may be, and
3 appurtenant documents shall be confidential in nature and shall not be used
4 in any investigation or prosecution before any judicial, quasi-judicial, and
5 administrative bodies. However, the taxpayer may use this as a defense,
6 whenever appropriate, in cases brought against the taxpayer.

7 (c) The books of accounts and other records of the taxpayer for the years
8 covered by the tax amnesty availed of shall not be examined by the Bureau
9 of Internal Revenue: *Provided*, That the Commissioner of Internal Revenue
10 may authorize in writing the examination of the said books of accounts and
11 other records to verify the validity or correctness of a claim for any tax
12 refund, tax credit (other than refund or credit of taxes withheld on wages),
13 tax incentives, and/or exemptions under existing laws.

14 All these immunities and privileges shall not apply when the taxpayer failed to
15 file a General Tax Amnesty Return and a Statement of Total Assets, or Statement of
16 Assets, Liabilities, and Networth, as the case may be, or where the amount of total
17 assets or networth as of December 31, 2024 is proven to be understated to the extent
18 of thirty percent (30%) or more, in accordance with the provisions of Section 8 hereof,
19 or in cases of fraud, regardless of the extent of the under-declaration of total assets
20 or networth.

21 Upon full compliance with all the conditions set forth in this Title and payment
22 of the corresponding general amnesty tax, the tax amnesty granted under this Title
23 shall become final and irrevocable.

24 **SEC. 10. Exceptions.** – The General Tax Amnesty under this Act shall not extend

1 to the following:

2 (a) Withholding tax agents who withheld taxes but failed to remit the same to
3 the Bureau of Internal Revenue.

4 (b) Taxpayers with cases pending in appropriate courts at the time of
5 application of the General Tax Amnesty involving:

6 (1) Those that fall under the jurisdiction of the Presidential Commission
7 on Good Government;

8 (2) Unexplained or unlawfully acquired wealth under Republic Act No.
9 3019, otherwise known as the Anti-Graft and Corrupt Practices Act,
10 and Republic Act No. 7080 or An Act Defining and Penalizing the Crime
11 of Plunder;

12 (3) Violations of Republic Act No. 9160, otherwise known as the Anti-
13 Money Laundering Act, as amended;

14 (4) Tax evasion and other criminal offenses under Chapter II of Title X of
15 the National Internal Revenue Code of 1997, as amended; and

16 (5) Felonies of frauds, illegal exactions and transactions, and malversation
17 of public funds and property under Chapters III and IV of Title VII of
18 the Revised Penal Code;

19 (c) Tax cases that have become final and executory; and

20 (d) Delinquencies and assessments that have become final and executory.

21 **SEC. 11. Declaration under Penalties of Perjury.** - Any declaration, return, and
22 other statement required under this Act shall contain a written statement that they are
23 made under the penalties of perjury. Any person who willfully files a declaration,
24 return, or statement containing information which is not true and correct as to every

1 material matter shall, upon conviction, be subject to the penalties prescribed for
2 perjury under the Revised Penal Code.

3 In case a false or fraudulent return is willfully made, the penalty to be imposed
4 shall be fifty percent (50%) of the tax or of the deficiency tax, in case, any payment
5 has been made on the basis of such return before the discovery of the falsity or fraud:
6 *Provided, That failure to report total assets or net worth in an amount exceeding thirty*
7 *percent (30%) as determined by the Commissioner of Internal Revenue pursuant to*
8 *the rules and regulations to be promulgated by the Secretary of Finance, shall*
9 *constitute prima facie evidence of a false or fraudulent return.*

10 *Provided, further, That if the offender is a juridical entity, the penalties shall be*
11 *imposed on the entity's responsible officers, such as, but not limited to, the president,*
12 *chief executive officer, general manager, or partner directly responsible, or members*
13 *of the board of directors, others who have beneficial interest in the juridical entity, and*
14 *employees responsible for the violation.*

15 **SEC. 12. Confidentiality and Non-use of Information and Data in the Statement**
16 ***of Total Assets and Statement of Assets, Liabilities, and Networth. – Any information***
17 ***or data contained in, derived from or provided by a taxpayer in the Tax Amnesty***
18 ***Return, Statement of Total Assets or Statement of Assets, Liabilities, and Networth, as***
19 ***the case may be and appurtenant documents shall be confidential in nature and shall***
20 ***not be used in any investigation or prosecution before any judicial, quasi-judicial, and***
21 ***administrative bodies.***

22 Any statement of assets, liabilities, and networth, financial statements,
23 information sheets, and any such other statements or disclosures that may have been
24 previously submitted by the taxpayer as required by existing laws are deemed to have

1 been amended by the Tax Amnesty Return and/or the Statement of Total Assets or
2 Statement of Assets, Liabilities, and Networth, as the case may be, filed under this Act
3 and may not be the subject of any investigation or prosecution or be used in any
4 investigation or prosecution before any judicial, quasi-judicial, and administrative
5 bodies.

6 **SEC. 13. *Information Management System.*** – For purposes of enhancing
7 revenue administration, revenue collection and policy formulation, the Department of
8 Finance, in coordination with the Bureau of Internal Revenue, Land Registration
9 Authority, Department of Trade and Industry, Securities and Exchange Commission,
10 Land Transportation Office, and other agencies concerned, shall institute an
11 Information Management Program for the effective use of information declared or
12 obtained from the Tax Amnesty Returns and Statements of Total Assets or Statements
13 of Assets, Liabilities, and Networth, as the case may be, required to be filed under this
14 Act.

15 All the statements and returns required under this Act shall be filed and processed
16 separately from all other records of the Bureau of Internal Revenue in accordance with
17 the Implementing Rules and Regulations of this Act.

18 If the data requirements consist of information found in the income tax return of
19 taxpayers, the requirements under Section 71 of the National Internal Revenue Code
20 of 1997, as amended, shall still be complied with. The Information Management
21 System shall also comply with the provisions of Republic Act No. 10173, otherwise
22 known as the Data Privacy Act and such other laws relating to confidentiality of
23 information.

24 **SEC. 14. *Unlawful Divulgence of Tax Amnesty Return and Appurtenant***

1 *Document.* – It shall be unlawful for any person having knowledge of the Tax Amnesty
2 Return and appurtenant documents, to disclose any information relative thereto, and
3 any violation hereof shall be penalized a fine of one hundred fifty thousand pesos
4 (P150,000) and imprisonment of not less than six (6) years but not more than ten (10)
5 years: *Provided,* That if the offender is an officer or employee of the Bureau of Internal
6 Revenue or any government entity, the penalties under Section 270 of the National
7 Internal Revenue Code of 1997, as amended, shall apply: *Provided, further,* That the
8 offender shall likewise suffer an additional penalty of perpetual disqualification to hold
9 public office.

10 **SEC. 15. *Report to Oversight Committee.*** – The Commissioner shall submit to
11 the Oversight Committee referred to in Section 290 of the National Internal Revenue
12 Code of 1997, as amended, through the Chairpersons of the Committee on Ways and
13 Means of the Senate of the Philippines and the House of Representatives, a detailed
14 report on the implementation of this Act within six (6) months after the one (1)-year
15 period of availment of the General Tax Amnesty.

16 **SEC. 16. *Implementing Rules and Regulations.*** – The Secretary of Finance shall,
17 in coordination with the Commissioner of Internal Revenue, promulgate and publish
18 the necessary rules and regulations of this Act within ninety (90) days from its
19 effectivity.

20 The failure of the Secretary of Finance to promulgate the said rules and
21 regulations shall not prevent the implementation of this Act upon its effectivity.

22 **SEC. 17. *Separability Clause.*** – If any provision of this Act is subsequently
23 declared invalid or unconstitutional, the other provisions hereof which are not affected
24 thereby shall remain in full force and effect.

1 **SEC. 18. *Repealing Clause.*** – All other laws, acts, presidential decrees, rules and
2 regulations or parts thereof inconsistent with the provisions of this Act are hereby
3 expressly repealed, amended or modified accordingly.

4 **SEC. 19. *Effectivity.*** – This Act shall take effect after fifteen (15) days following
5 its complete publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,