

# Sin tax bill essay sample

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President Benigno Aquino 3rd on Thursday signed the sin tax bill into law. The new law is expected to raise an additional P33. 96 billion during the first year of implementation.

In his speech, the President said that the new law was an early Christmas gift for the Filipinos as its revenues will be used to expand the government's healthcare program and will be spent for tobacco farmers' livelihood.

“ Sa araw pong ito, nilagdaan natin, sa wakas—ulitin ko lang po, sa wakas—ang isang batas na magsisilbing maagang Pamasko sa milyun-milyong Pilipino—mga Pilipinong masasaklaw sa abot-kamay nang Universal Health Care program; mga Pilipinong makikinabang sa mga bagong klinika at ospital na mapopondohan at maipapatayo; mga Pilipinong maililihis sa bisyo ng paninigarilyo at labis na pag-inom

[Today we sign, finally, a law that will serve as early Christmas gift to millions of Filipinos who will be covered by the Universal Health Care program, who will benefit from the new public clinics and hospitals that will be built and who will be weaned out from smoking and drinking],” he said.

The President added that Republic Act 10351, which raises taxes on cigarettes and alcohol, is the only tax reform on alcohol and tobacco products that favors both the government and the Filipino people.

“ Hangad nating gawing abot-kamay para sa lahat ang benepisyong pangkalusugan, mayaman man o mahirap, sagrado po kasi ang buhay ng Pilipino [The We aim to make health benefits available for all, regardless of wealth, the life of Filipinos is sacred],” the President said.

The President also assured tobacco farmers that they have nothing to fear from the new law since it will provide additional funding for farmers' livelihood support program.

“ Hangad din nating gawing patas ang laban sa industriya ng tabako. Hindi makatarungan po na iba-iba ang buwis ng mga produktong pare-pareho [We aim to provide a level of playing field for industry players. It is not fair that different taxes are applied on the same products,]” he said.

On the other hand, the President thanked lawmakers particularly the head of both Houses, Senate President Juan Ponce Enrile and House Speaker Sonny Belmonte and also advocates who helped push for the passage of the sin tax reform bill.

“ Maraming nag-isip na imposibleng maipasa ang sin tax reform bill: malakas ang kalaban; maingay, organisado at malalim ang bulsa ng mga kumukontra [Many believed it was impossible to pass the sin tax reform bill. Those who are opposing it are strong, noisy, organized and they have deep pockets],” he said

“ Pero gaya po ng paulit-ulit nating napatunayan: Walang imposible sa Pilipinong sumasagwan sa iisang direksyon, nasa tamang lugar ang puso, at handang manindigan para sa kanyang mga prinsipyo [But we have proven: nothing is impossible for Filipinos who are sailing in the same direction, whose hearts are in the right place, and who are ready to fight for their principles],” he added.

On December 11, both Houses finally ratified the proposed excise tax reform on alcohol and tobacco, which was approved during the bicameral conference. The new law is considered as the only reform on alcohol and tobacco products that favors both the government and the people.

Of the total revenues expected for the first year of implementation, P23. 4 billion will come from cigarettes, P6. 06 billion from distilled spirits and P4. 5 billion from fermented liquors.

The new excise tax for cigarettes adheres to the commitment of the Philippines to the World Health Organization to increase the ratio of tax to price from the current 29. 1 percent to 52. 5 percent in 2013 and 63 percent by 2017.

To prevent excise tax from being eroded by inflation, it will be increased by 4 percent every year effective 2016 for distilled spirits and 2018 for cigarettes and beer.

Eighty percent of the incremental revenues after deducting the support for farmers will be allocated for the universal health care program and 20 percent will be allocated for nationwide medical assistance and health enhancement facilities program.