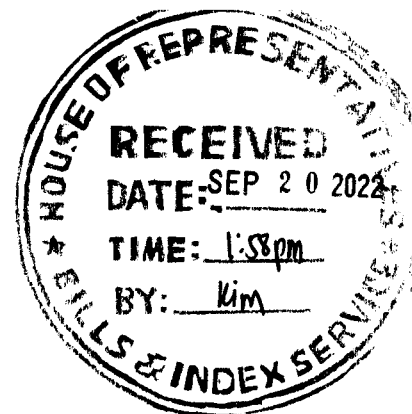


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5027



Introduced by
REP. AUGUSTINA DOMINIQUE "Ditse Tina" C. PANCHO

EXPLANATORY NOTE

Rainwater Harvesting (RWH) technology presents a significant solution to water shortages and ground water depletion during the dry season, as well as in mitigating the effects of excessive rains during the wet season.

RWH refers to methods employed to collect rainwater through catchment systems, and then divert them through gutters to a storage tank to provide water for specific applications. At present, harvested rainwater is used mainly to supply the demand for non-potable water but through adequate research on existing treatment techniques, it is possible for rainwater harvesting technology to supplement public need for potable applications. Potable applications include drinking, cooking, bathing, and dishwashing. Non-potable applications include toilet flushing, fire suppression, household cleaning, gardening, laundry washing, pool/pond filling, and vehicle washing.

In comparison with the current public water system, RWH allows water to be supplied at the point of consumption thus, owners are in full control of the technology. Moreover, of all the sources of water, rainwater is among the cleanest. Its quality only diminishes depending on the quality of the atmosphere, the catchment and conveyance systems, and storage tank. RWH technology therefore breaks the consumer's reliance on a water supplier, and additionally, can also significantly reduce storm drainage load and excessive flooding.

In terms of environmental impacts, as compared to other sources, rainwater harvesting technology pose lesser or no damage at all for the environment since existing structures such as domestic houses will only be retrofitted. Its only disadvantage relies mainly on the randomness of the rainfall pattern thus the demand of the user will not always be met.

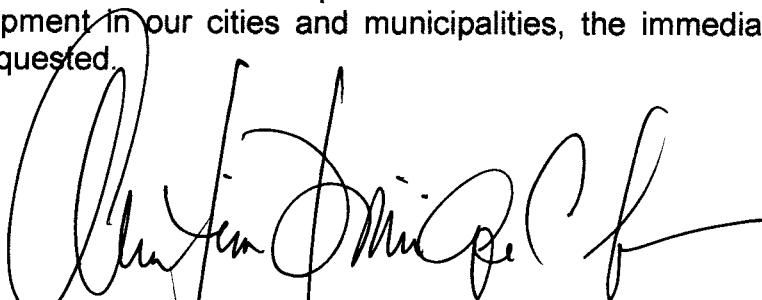
However, RWH technology is not that popular in Philippine context. To be able to promote the technology, we need to identify and supply the users with the advantages of the system over the current "lined system" of water distribution like the ease in terms of installation, operation, and maintenance with readily available construction materials.

Moreover, since commercial and industrial establishments pose as the primary consumers of water derived from our natural water systems, they need to be encouraged to install rainwater catchment facilities to reduce water extraction and save the remaining ground water for the next generation.

In this direction, this Bill seeks to provide an incentive scheme to encourage building owners and developers to embrace RWH technology in their businesses.

Primary to this incentive scheme will be the provision of tax incentives in the form of appropriate tax deductions, tax credits and tax reductions.

With urgency to encourage a collective action to preserve our natural environment and support sustainable development in our cities and municipalities, the immediate approval of this bill is strongly requested.

A handwritten signature in black ink, appearing to read 'Augustina Dominique C. Pancho', written in a cursive style.

AUGUSTINA DOMINIQUE "Ditse Tina" C. PANCHO
Representative, 2nd District of Bulacan

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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NINETEENTH CONGRESS
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HOUSE BILL NO. 5027

Introduced by
REP. AUGUSTINA DOMINIQUE "Ditse Tina" C. PANCHO

AN ACT GRANTING INCENTIVES FOR COMMERCIAL AND INDUSTRIAL ESTABLISHMENTS, AND DEVELOPERS WHO WILL INCORPORATE RAINWATER HARVESTING TECHNOLOGY IN THEIR BUSINESSES, AND FOR OTHER PURPOSES THEREOF

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

SECTION 1. Short Title. — *This Act shall be known as "Rainwater Harvesting Incentive Act of 2022".*

SECTION 2. Declaration of Policy.

(a) It is hereby declared the policy of the State to protect and promote the rights of the people to health, a balanced and healthful ecology and instill health consciousness among them.

(b) The State shall pursue a policy of sustainable development, balancing progress, the protection of the environment, and the health and welfare of its people.

(c) The State shall promote a comprehensive system of environmental planning which seeks to conserve, rehabilitative and develop the physical environment and natural resources of the nation that translates into physical and spatial considerations policies on land capability, urbanization, agricultural development and natural resources development.

(d) Further it is hereby declared to be the policy of the State to safeguard life, health, property, and public welfare, consistent with the principles of environmental management and control.

(d) Towards this end, the State shall approve the granting of tax and other appropriate incentives to commercial and industrial establishments, and developers who will incorporate Rainwater harvesting Technologies in their respective businesses.

SECTION 3. Scope. *This Act shall apply to commercial and industrial establishments, and private developers governed under Philippine laws.*

SECTION 4. Incentive Mechanisms. *Incentives present a creative tool local governments can use to encourage the use of RWH technology and practices among commercial and industrial establishments within their purview. These incentives can be applied to both new developments and existing developments. For new development projects, incentives can be incorporated into the development processes, such as building and other related permits and other development codes and requirements, to creatively encourage the use of RWH technology and concepts. In already developed areas, incentives can be designed to encourage private property owners to retrofit their properties to include RWH infrastructure designs and practices.*

(a) Development Incentives: Offered to developers during the process of applying for development permits. Development incentives apply to private developers that take initiative by using more sustainable site design and green building practices. These incentives are typically provided within the framework of existing land use or development regulations and often remove or decrease fees, requirements, or steps in the permit process.

(b) Tax incentives. Offered to the commercial and industrial sector in exchange for specific actions or investments supporting RWH technology and practices. Tax incentives which can be granted include Tax Deductions, Tax Credits, and Tax Reductions as may be provided by the Implementing Rules and Regulations of this Act.

SECTION 5. Implementation. *– the Bureau of Internal Revenue and Local Government Units (LGUs) shall have the primary responsibility in the effort of implementing the provisions of this Act and its IRR. Respective LGUs shall also develop a strategic communications plan to duly advocate the use of RWH and communicate the incentive scheme under this Act to their respective constituencies.*

SECTION 6. Appropriations. *The amount necessary to carry out the provisions of this Act shall be charged against the current year's appropriation of the concerned government agencies. Thereafter, such sums as may be necessary for the operation and maintenance of this Act shall be included in the General Appropriations Act.*

SECTION 7. Implementing Rules and Regulations. *Within ninety (90) days after the effectivity of this Act, the Department of Interior and Local Government (DILG), together with the Department of Environment and Natural Resources (DENR), the Bureau of Internal Revenue (BIR), in consultation with the Department of Public Works and Highways and the Joint Building and Environmental Planning Research and Standards Commission, shall promulgate the implementing rules and regulations governing this Act.*

SECTION 8. Separability Clause. *If for any reason, any provision of part hereof is declared invalid, the other provisions not affected thereby shall remain in full force and effect.*

SECTION 9. Repealing Clause. *– Any provision of the law, presidential decree, executive orders, rules and regulations contrary to the provision of this Act is hereby repealed, amended or modified accordingly.*

SECTION 10. Effectivity. *– This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation, whichever comes earlier.*

Approved,