Sin and sugar taxes for UHC

• Republic Act (RA) 10351 (passed 2012)
  • Rationalized and increased excise taxes for tobacco and alcohol products (fermented liquors, distilled spirits and wines)

• RA 10963 or The Tax Reform for Acceleration and Inclusion (TRAIN law) (passed 2018)
  • Increased excise taxes on tobacco and alcohol products, and sweetened beverages
    • 0.12 USD Per liter for beverages sweetened with caloric or non-caloric sweeteners (except high fructose)
    • 0.24 USD per liter for beverages sweetened with high-fructose corn syrup.

• RA11346 (passed in 2019)
  • increased excise taxes on cigarettes, vapes, and e-cigarettes; and alcohol products
  • Continued the allocation of Universal Health Care (UHC) of RAs 10351 and 10963
Incremental Revenues for UHC and Health

Republic Act 10351

Sec. 8 (C): “After deducting the allocations under Republic Act Nos. 7171 and 8240, . . .

- **Eighty percent (80%)** of the remaining balance for:
  - Universal health care (UHC) under the National Health Insurance Program (NHIP)
  - Attainment of the millennium development goals
  - Health awareness programs

- **Twenty percent (20%)** for:
  - Medical assistance
  - Health Enhancement Facilities Program (HEFP)
    - funds health facility construction and renovations, and medical equipment

Republic Act 10963

- **Not more than seventy percent (70%)** to fund:
  - Infrastructure projects such as, but not limited to, the Build, Build, Build Program...
  - Military infrastructure
  - Sports facilities for public schools
  - potable drinking water supply in all public places…”

- Part of the remaining thirty percent (30%) may fund social mitigating measures and investments in **health, targeted nutrition**, and anti-hunger programs for mothers, infants, and young children, among others.
Excise Tax Collections from Alcohol and Tobacco Products as % of GDP

“Revenues collected from the excise tax on SSB have reached P26.6bn (US$512.8mn) in 2018 and P14.9bn (US$287.2mn) from January to June

Increase in the Department of Health Budget

Smoking prevalence among the young and poor decreased

Source: Department of Health