Gov't not suspending TRAIN law

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The Department of Finance has no plans to suspend the implementation of the Tax Reform for Acceleration and Inclusion (TRAIN) Act despite growing calls from legislators who blame the law as the main culprit for higher consumer prices.

"The government is not planning to suspend TRAIN or any of its provisions. Only a law can amend an existing law. The TRAIN is being implemented as provided in Republic Act No. 10963," Finance Undersecretary Karl Kendrick T. Chua said in an e-mail Friday.

Signed by President Duterte in December, the TRAIN Law since Jan. 1 this year jacked up or slapped new excise taxes on oil, cigarettes, sugary drinks and vehicles, among other goods, to compensate for the restructured personal income tax regime that raised the tax-exempt cap to an annual salary of P250,000.

Some legislators wanted to stop the implementation of the higher excise tax rates on petroleum products as global prices continued to increase.

"On fuel excises, the TRAIN Law has a mitigating measure in case crude oil price reaches or exceeds $80 per barrel. When this happens, the next scheduled increase on Jan. 1, 2019, is temporarily suspended andresumeswhenit falls below $80 per barrel," Chua noted.