

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 0389

Introduced by HON. MA. LOURDES T. ARROYO

EXPLANATORY NOTE

It is the declared policy of the State ensure the rehabilitation, self-development and self-reliance of disabled persons. It is also enshrined in the Constitution that the family has the duty to care for its elderly members but the State may also do so through just programs of social security.

This bill seeks to grant travel tax discount to our senior citizens and persons with disability (PWDs).

2016 data from National Tax Research Center (NTRC) reveals that from almost 3 million departing passengers, 2.6 million passengers or 86% are taxable. Of these taxable passengers, only 5% paid the standard reduced travel tax, and 91,543 passengers or 3% paid the privileged reduced rates.¹

Individuals who are 12 years old and below are entitled to standard reduced tax rates while passengers entitled to the privileged reduced travel tax rates include legitimate spouse of an Overseas Filipino Workers (OFW) , unmarried children of an OFW whether legitimate or illegitimate who are below 21 years of age and children of OFWs with disabilities before reaching 21 years of age.

Extending this new entitlement to our senior citizens and PWDs shows our full support to them and gives them the same opportunity to access and benefit certain services in a similar way.

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


MA. LOURDES T. ARROYO

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AN ACT
PROVIDING TRAVEL TAX DISCOUNT TO SENIOR CITIZENS AND PERSONS
WITH DISABILITIES, AMENDING FOR THE PURPOSE PRESIDENTIAL
DECREE NO. 1183, AS AMENDED

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

SECTION 1. Section 2 of Presidential Decree No. 1183, entitled “Amending and Consolidating the Provisions on Travel Tax of Republic Act No. 1478 as Amended and Republic Act No. 6141, Prescribing the Manner of Collection Thereof, Providing Penalties for Violations Thereof, and For Other Purposes”, as amended by Executive Order No. 283, series of 1987, is hereby further amended to read as follows:

“SEC. 2-A. Unless otherwise exempted under Section 2 of the same decree, a reduced rate of P1,350 for first class passage and P810 for economy class passage shall be imposed on the following:

“(a) Individuals who are 12 years old or below but over two years of age;

“(b) Accredited Filipino journalists whose travel is in pursuit of journalistic assignments as certified to by the Press Secretary; and

“(c) Those authorized by the President of the Philippines for reasons of national interest.

“A THIRTY TWO PERCENT (32%) DISCOUNT ON TRAVEL TAX IMPOSED ON FIRST CLASS AND ECONOMY CLASS PASSENGERS SHALL BE GRANTED TO THE FOLLOWING:

“(1) SENIOR CITIZENS DULY CERTIFIED UNDER REPUBLIC ACT NO. 7432; AND

“(2) PERSONS WITH DISABILITIES DULY CERTIFIED UNDER REPUBLIC ACT. NO. 7277.”

SEC. 2. *Constitutionality Clause.* - If any provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in full force and effect.

SEC. 3. *Repealing Clause.*- Section 2 of Presidential Decree No. 1183, as amended by Executive Order No. 283, entitled “Restructuring the Travel Tax Exemptions and Restoring the Reduced Rates on Certain Individuals, Amending for this Purpose, Presidential Decree No. 1183, as Amended” Section 4 of Republic Act No. 7432, entitled “An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grant Benefits and Special Privileges and For Other Purposes,” and Title Two of Republic Act No. 7277, also known as the “Magna Carta for Disabled Persons” are hereby amended accordingly. All other laws, executive orders, presidential decrees, proclamations, rules, regulations, issuances, and enactments or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

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

Approved,