

Republic of the Philippines
House of Representatives
Quezon City

SEVENTEENTH CONGRESS
First Regular Session
70
HOUSE BILL NO. **4705**



INTRODUCED BY CONGRESSMAN ALFRED VARGAS

EXPLANATORY NOTE

Senior citizens comprise nearly seven percent of the total Filipino population with their number currently estimated at 6.263 million¹. It is predicted that over time, the percentage of the elderly population in relation to the total population of the country might rise to 10%². Out of these, only about a third of senior citizens receive pension: 18% receives a contributory pension (SSS or GSIS) and only 15% benefit from the social pension program of the Department of Social Welfare and Development³.

With inflation rates rising steadily every year, it is difficult for senior citizens to cope with the demand of their day to day expenses, considering their retired status, low income, limited pension source, or depleting funds. It is imperative, therefore, that the State gives additional discounts to senior citizens especially on basic necessities like clothing, footwear, eyeglasses, hearing aids, dental care, transportation, and similar products and services to enable them to manage their finances more realistically.

Discounts for online transactions should also be given attention, since there are senior citizens who prefer to purchase items online for convenience and cost-efficiency. It is appropriate, therefore, to mandate all establishments, individuals, and corporations to provide discounts for online transactions, subject to validation and authentication.

This bill focuses on the maintenance and welfare of senior citizens and how the State can contribute to their total well-being. Thus, the immediate passage of this bill is earnestly sought.


ALFRED VARGAS

¹ 2010 Census of Population and Housing

² Evangelista, Rafael. (2015) *Time for senior citizens to fight for our rights*. Rappler. Available at: <http://www.rappler.com/move-ph/isp-eak/106840-ph-senior-citizens-rights> [28 October 2015]

³ The Coalition of the Services for the Elderly. (2015) *Advocates call for improved security pension for Pinoy*s. Rappler. Available at: <http://www.rappler.com/move-ph/107863-older-activists-improved-old-age-pension-every-filipino> [29 June 2016].

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AN ACT

PROVIDING FOR THE MAINTENANCE AND WELFARE OF SENIOR CITIZENS, FURTHER AMENDING REPUBLIC ACT NO. 7432, AS AMENDED, AND FOR OTHER PURPOSES

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

Section 1. Title. - This Act shall be known as the "Maintenance and Welfare of Senior Citizens Act of 2016."

Section 2. Section 2 of Republic Act No. 7432, as amended by Republic Act Nos. 9257 and 9944, otherwise known as the "Expanded Senior Citizens Act of 2003" and "Expanded Senior Citizens Act of 2010", is hereby further amended to read as follows:

"SEC. 2. Definition of terms. - For purposes of this Act, these terms are defined as follows:

"(a) Senior citizen or elderly refers to any resident citizen of the Philippines at least sixty (60) years old;

"(b) Geriatrics refers to the branch of medical science devoted to the study of the biological and physical changes and the disease of old age;

"(c) Lodging establishment refers to a building, edifice, structure, apartment or house including tourist inn, apartelle, motorist hotel, and pension house engaged in catering, leasing or providing facilities to transients, tourists, or travelers;

"(d) Medical Services refer to hospital services, professional services of physicians and other health care professionals and diagnostics and laboratory tests that are necessary for the diagnosis or treatment of an illness or injury;

"(e) Dental services to oral examination, cleaning, permanent and temporary filling, extractions and gum treatments, restoration, replacement or repositioning of teeth, or alteration of the alveolar or periodontium process of the maxilla and the mandible that are necessary for the diagnostic or treatment of an illness or injury;

"(f) Nearest surviving relative refers to the legal spouse who survives the deceased senior citizen: Provided, that where no spouse survives the decedent, this shall be limited to

relatives in the following order of degree of kinship: children, parents, siblings, grandparents, grandchildren, uncles and aunts;

“(g) Home health care service refers to health or supportive care provided to the senior citizen patient at home by licensed health care professionals to include, but not limited to, physicians, nurses, midwives, physical therapist and caregivers; and

“(h) Indigent senior citizen, refers to any elderly who is frail, sickly or with disability, and without pension or permanent source of income, compensation or financial assistance from his/her relatives to support his/her basic needs, as determined by the Department of Social Welfare and Development (DSWD) in consultation with the National Coordinating and Monitoring Board.”

Section 3. Section 4 of Republic Act No. 7432, as amended by Republic Act Nos. 9257 and 9994, otherwise known as the “Expanded Senior Citizens Act of 2010”, is hereby further amended to read as follows:

“SEC. 4. Privileges for the Senior Citizens. -

“The senior citizens shall be entitled to the following:

“(a) the grant of twenty percent (20%) discount and exemption from the value added tax (VAT), if applicable, on the sake of the following goods and services from all establishments, for the exclusives use and enjoyment or availment of the senior citizen:

“(1) on the purchase of medicines, including the purchase of influenza and pneumococcal vaccines, and such other essential medical supplies, accessories and equipment to be determined by the Department of Health (DOH).

“The DOH shall establish guidelines and a mechanism of compulsory rebates in the sharing of burden of discounts among retailers, manufacturers and distributors, taking into consideration their respective margins;

“(2) on the professional fees of attending physician/s in all private hospital, medical facilities, outpatient clinics and home health care services;

“(3) on the professional fees of licensed professional health providing home health care services as endorsed by private hospitals or employed through home health care employment agencies;

“(4) on medical and dental services, diagnostic and laboratory fees in all private hospitals, medical facilities, outpatient clinics, and home health care services, in accordance with the rules and regulations to be issued by the DOH, in coordination with the Philippine Health Insurance Corporation (PhilHealth);

“(5) in actual fare for land transportation travel in public utility buses (PUBs), public utility jeepneys (PUJs), taxis, Asian utility vehicles (AUVs), shuttle services and public railways, including Light Rail Transit (LRT), Mass Rail Transit (MRT), and Philippines National Railways (PNR);

"(6) in actual transportation fare for domestic AND INTERNATIONAL air AND WATER transport services OF COMPANIES REGISTERED IN ACCORDANCE WITH THE LAWS OF THE PHILIPPINES OR OF COMPANIES DOING BUSINESS IN THE PHILIPPINES and sea shipping vessels and the like, based on the actual fare and advanced booking;

"(7) on the utilization of services in hotels and similar lodging establishments, restaurants and recreation centers;

"(8) ON BANK TRANSACTION FEES WHICH INCLUDE BUT NOT LIMITED TO THE FOLLOWING:

- I) ISSUE OF DUPLICATE PASSBOOK/STATEMENT OF ACCOUNT;
- II) ISSUE OF CHEQUE BOOKS;
- III) NOTING OF STANDING INSTRUCTIONS;
- IV) STOP PAYMENT INSTRUCTIONS;
- V) ISSUE OF BALANCE CERTIFICATE;
- VI) SIGNATURE VERIFICATION; AND
- VII) LEDGER FOLIO CHARGES.

"(9) on admission fees charged by theaters, cinema houses and concert halls, circuses, leisure and amusement; and

"(10) on funeral and burial services for the death of senior citizens;

"(11) ON CLOTHES, FOOTWEAR AND OTHER CLOTHING APPAREL FOR THE USE ONLY OF SENIOR CITIZENS; AND

"(12) ON PURCHASING OF EYEGASSES, HEARING AIDS, AND OTHER PRODUCTS AVAILED OF BY SENIOR CITIZENS DUE TO THE EFFECTS OF INCREASING AGE.

(b) exemption from the payment of individual income taxes of senior citizens who are considered to be minimum wage earners in accordance with Republic Act No. 9504;

(c) the grant of a minimum of five percent (5%) discount relative to the monthly utilization of water and electricity supplied by the public utilities: Provided, That the individual meters for the foregoing utilities are registered in the name of the senior citizen residing therein: Provided, further, that the monthly consumption does not exceed one hundred kilowatt hours (100kWh) of electricity and thirty cubic meters (30 m³) of water: Provided, furthermore, that the privilege is granted per household regardless of the number of senior citizens residing therein;

(d) exemption from training fees for socioeconomic programs;

(e) free medical and dental services, diagnostic and laboratory fees such as, but not limited to, x-rays, computerized tomography scans and blood tests, in all government facilities, subject to the guidelines to be issued by the DOH in coordination with the PhilHealth;

(f) the DOH shall administer free vaccination against the influenza virus and pneumococcal disease for indigent senior citizen patients;

(g) educational assistance to senior citizens to pursue post-secondary, tertiary, post-tertiary, vocational and technical education, as well as short-term courses for retooling in both public and private schools through provision of scholarships, grants, financial aids, subsidies and other incentives to qualified senior citizens, including support for books, learning materials, and uniform allowances, to the extent feasible: Provide, That senior citizens shall meet minimum admission requirements;

(h) to the extent practicable and feasible, the continuance of the same benefits and privileges given by the Government Service Insurance System (GSIS), the Social Security System (SSS) and the PAG-IBIG, as the case may be, as are enjoyed by those in actual service;

(i) retirement benefits of retirees from both the government and the private sector shall be regularly reviewed to ensure their continuing responsiveness and sustainability, and to the extent practicable and feasible, shall be upgraded to be at par with current scale enjoyed by those in actual service;

(j) to the extent possible, the government may grant special discounts in special programs for senior citizens on purchase of basic commodities, subject to the guidelines to be issued for the purpose by the Department of Trade and Industry (DTI) and the Department of Agriculture (DA);

(k) provision of express lanes for senior citizens in all commercial and government establishments; in the absence thereof, priority shall be given to them; and

(l) death benefit assistance of a minimum of five thousand pesos (Php5,000.00) shall be given to the nearest surviving relative of a deceased senior citizen which amount shall be subject to adjustments due to inflation in accordance with the guidelines to be issued by the DSWD.

In availment of the privileges mentioned above, the senior citizen, or his/her duly authorized representative, may submit as proof of his/her entitled thereto any of the following;

(1) an identification card issued by the Office of the Senior Citizen Affairs (OSCA) of the place where the senior citizen resides: Provided, That the identification card issued by the particular OSCA shall be honored nationwide; or

(2) the passport of the senior citizen concerned; and OR

(3) other documents that establish that the senior citizen is a citizen of the Republic and is at least sixty (60) years of age as further provided in the implementing rules and regulations;

IN CASE THE AVAILMENT OF THE SERVICES IN SECTION 4(A)(5),(6),(7), AND (9) IS DONE THROUGH ONLINE TRANSACTIONS, ALL ESTABLISHMENTS MANDATED TO PROVIDE THE DISCOUNTS SHALL ESTABLISH A MECHANISM THAT

WILL APPLY THE SAME DISCOUNTS TO ONLINE TRANSACTIONS, SUBJECT TO THE PRESENTATION OF ANY OF THE DOCUMENTS ENUMERATED ABOVE UPON AVAILMENT OF SERVICES. THE DISCOUNTS SHALL BE APPLIED AUTOMATICALLY UPON AVAILMENT OF THE SERVICES ONLINE AND THE AMOUNT OF THE DISCOUNT SHALL BE SUBJECT TO PAYMENT UPON FAILURE OF THE SENIOR CITIZENS TO PRESENT ANY OF THE DOCUMENTS ENUMERATED IN SECTION 4(L) TO PROVE THEY ARE QUALIFIED TO SUCH DISCOUNTS. IN CASE THE SENIOR CITIZEN DOES NOT WANT TO PAY THE AMOUNT OF THE DISCOUNT UPON HIS/HER FAILURE TO SHOW ANY OF THE DOCUMENTS MENTIONED IN SECTION 4(L), HE/SHE IS ENTITLED TO THE REFUND OF THE AMOUNT HE/SHE PAID BUT SHALL NOT BE ALLOWED TO AVAIL OF THE SERVICES.

In the purchase of goods and services which are on promotional discount, the senior citizen can avail of the promotional discount or the discount provided herein, whichever is higher.

The establishment may claim the discounts granted under subsections (a), and (c) of this section as tax deduction based on the cost of the goods sold or services rendered.

Provided, That the cost of the discount shall be allowed as deduction from gross income for the same taxable year that the discount is granted: Provided, further, That the total amount of the claimed tax deduction net VAT, if applicable, shall be included in their gross sales receipts for tax purposes and shall be subject to proper documentation and to the provisions of the National Internal Revenue Code (NIRC), as amended."

Section 4. A new section 5 is added which shall read:

THE GOVERNMENT SHALL ENSURE THAT -

(A) THE GOVERNMENT HOSPITALS OR HOSPITALS FUNDED FULLY OR PARTIALLY BY THE GOVERNMENT SHALL PROVIDE BEDS FOR ALL SENIOR CITIZENS AS FAR AS POSSIBLE;

(B) SEPARATE QUEUES BE ARRANGED FOR SENIOR CITIZENS;

(C) FACILITY FOR TREATMENT OF CHRONIC, TERMINAL AND DEGENERATIVE DISEASES IS EXPANDED FOR SENIOR CITIZENS;

(D) RESEARCH ACTIVITIES FOR CHRONIC ELDERLY DISEASE AND AGEING ARE EXPANDED;

(E) THERE ARE EARMARKED FACILITIES FOR GERIATRIC PATIENTS IN EVERY DISTRICT HOSPITAL DULY HEADED BY A MEDICAL OFFICER WITH EXPERIENCE IN GERIATRIC CARE.

Section 5. Section 5, 6,7,8,9, and 11 shall be renumbered as Sections 6, 7, 8, 9, 10, and

12.

Section 6. Section 10 shall be renumbered as Section 11 and amended to read as follows:

"SEC. 11. Penalties. - (a) Any person who refuses to honor the senior citizen card issued by this the government or violates any provision of this Act shall suffer the following penalties:

"(i) For the first violation, imprisonment of not less than two (2) years but not more than six(6) years and a fine of not less than Fifty thousand pesos (Php50,000.00) but not exceeding One hundred thousand pesos (Php100,00.00);

"(ii) For any subsequent violation, imprisonment of not less than two (2) years but not more than six (6) years and a fine of not less than One Hundred thousand pesos (Php100,000.00) but not exceeding Two hundred thousand pesos (Php200,000.00); and

"(iii) Any person who abuses the privileges granted herein shall be punished with imprisonment of not less than six (6) months and a fine of not less than Fifty thousandpesos (Php50, 000.00) but not more than One hundred thousand pesos (Php100, 000.00).

"If the offender is a corporation, partnership, organization or any similar entity, the officials thereof directly involved such as the president, general manager, managing partner, or such other officer charged with the management of the business affairs shall be liable thereto.

"If the offender is an alien or a foreigner, he/she shall be deported immediately after service of sentence.

"Upon filing of an appropriate complaint, and after due notice and hearing, the proper authorities may also cause the cancellation or revocation of the business permit, permit to operate, franchise and other similar privileges granted to any person, establishment or business entity that falls to abide by the provisions of this Act."

"(B) WHOEVER, HAVING THE CARE AND PROTECTION OF A SENIOR CITIZEN LEAVES SUCH SENIOR CITIZEN IN ANY PLACE WITH THE INTENTION OF WHOLLY ABANDONING SUCH SENIOR CITIZEN, WITHOUT THE CONSENT OF THE SENIOR CITIZEN WHO STILL HAS CONTROL OF HIS/HER MENTAL FACULTIES, SHALL BE PUNISHED BY THE SAME PENALTY IMPOSED UNDER PARAGRAPH (A) OF THIS SECTION 10 OF THIS ACT. THIS PARAGRAPH SHALL NOT APPLY WHEN CUSTODY OF A SENIOR CITIZEN IS MADE TO A PUBLIC INSTITUTION SPECIFICALLY AUTHORIZED UNDER THE LAW OF TAKE CUSTODY OF HIM/HER AND THE PERSON HAVING HIS/HER CARE AND PROTECTION WILL NOT BE ABLE TO FULLY TAKE CARE OF HIM/HER.

Section 7. *Repealing Clause.* - All law, executive orders, rules and regulations or any part hereof inconsistent herewith are deemed repealed or modified accordingly.

Section 8. *Separability Clause.* - If any part or provision of this Act shall be declared unconstitutional and invalid, such declaration shall not invalidate other parts thereto which shall remain in full force and effect.

Section 9. *Effectivity.* – This Act shall take effect fifteen (15) days its complete publication in the Official Gazette or in at least two (2) newspaper of general circulation, whichever comes earlier.

Approved,