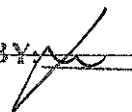




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SENATE  
S. No. 2686

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Introduced by Senator Miriam Defensor Santiago

#### EXPLANATORY NOTE

The Constitution, Article 2, Section 17 states:

The State shall give priority to education, science and technology, arts, culture and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development.

Sports have always been a part of Filipino society. Boxing, basketball, billiards, and volleyball dominate pop culture and casual conversations. We as a people are so into boxing, for example, that traffic and even crime grind to a halt every time Manny Pacquiao enters the ring.<sup>1</sup> Sporting events are given primetime slots on national television and commercial sports generate millions in revenue.

However, after participating in 19 Summer Olympic Games, the Philippines only managed to win two silver medals and seven bronze medals.<sup>2</sup> The performance in the Olympic Games is often considered the best gauge of the athletic skill of a nation. Bud Greenspan uses a quote from Barrie Houlihan that helps explain nationalism in the Olympics in his study called Olympic Orchestration: "nationalism is deeply embedded in the fabric of Olympic movement... it is the defining narrative of the Games themselves: the opening parade of athletes in national groups... wearing the colors on their kit... and the playing of the national anthems and the raising of national flags at medal ceremonies."<sup>3</sup>

The state of Philippine sports was not always this deplorable. We placed second in the 1954 and 1958 Asian Games. In the 2010 Asian Games, however, we only managed to come in

<sup>1</sup> <http://www.sunstar.com.ph/network/palace-expects-zero-crime-rate-pacman-clotey-fight-110-pm>

<sup>2</sup> [http://en.wikipedia.org/wiki/All-time\\_Olympic\\_Games\\_medal\\_table](http://en.wikipedia.org/wiki/All-time_Olympic_Games_medal_table), <http://www.olympic.org>

<sup>3</sup> Quinnipiac University Sports Studies, Fall 2009, <http://qusps.blogspot.com/2009/11/nationalism-in-sport-good-or-bad-thing.html>

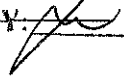
at 19<sup>th</sup> place, one spot worse than our 18<sup>th</sup> place showing in 2006. There is thus a need to boost the love for competitive sports from the grassroots of our nation. By providing better incentives to athletes who represent the country in international sports competitions, we can ensure a sustained interest in the different sports programs of our country.

*Miriam Defensor Santiago*  
MIRIAM DEFENSOR SANTIAGO



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AN ACT  
GRANTING SPECIAL INCENTIVES TO ATHLETES

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

SECTION 1. *Short Title.* – This Act shall be known as the "Special Incentives for Athletes Act."

SECTION 2. *Declaration of Policies and Objectives.* – Pursuant to the Constitution, Article 2, Section 17, the State shall give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development.

The Constitution, Article 10, Section 19, paragraph 1 also provides that the State shall promote physical education and encourage sports programs, league competitions and amateur sports, including training for international competitions, to foster self-discipline, teamwork, and excellence for the development of a healthy and alert citizenry.

Consonant with these constitutional principles the following are the declared policies of this Act:

- (a) To motivate and encourage citizens to engage in competitive sports;
- (b) To give full support to the improvement of the total well-being of athletes particularly members of the national team and their full participation in society considering that they are an integral part of Philippine society;
- (c) To provide a comprehensive health care and rehabilitation system for differently-abled athletes to foster their capacity to attain a more meaningful and productive life; and

1 (d) To recognize the important role of the private sector in the improvement of the  
2 welfare of athletes and to actively seek their partnership.

3 In accordance with these policies, this Act aims to:

4 (1) Establish mechanism whereby the contributions of athletes are maximized;

5 (2) Adopt measures whereby our athletes are assisted and appreciated by the  
6 community as a whole; and

7 (3) Establish a program beneficial to athletes, their families, and the rest of the  
8 community that they serve.

9 SECTION 3. *Definition of Terms.* – For purposes of this Act, the term—

10 (a) “Athlete” shall mean any citizen of the Philippines who is a member of the  
11 national team as chosen by the appropriate national sports association recognized by the  
12 Philippine Sports Commission; for purposes of this act, this shall include past members of the  
13 national team; and

14 (b) “Commission” shall refer to the Philippine Sports Commission.

15 SECTION 4. *Privileges for Athletes.* – Athletes shall be entitled to the following:

16 (a) The grant of fifteen percent (15%) discount from all establishments relative to the  
17 utilization of services in hotels and similar lodging establishment, restaurants and recreation  
18 centers, and purchase of medicines in all establishments for the exclusive use or enjoyment of  
19 athletes, including funeral and burial services for the death of athletes;

20 (b) A minimum of fifteen percent (15%) discount on admission fees charged by  
21 theaters, cinema houses and concert halls, circuses, carnivals, and other similar places of culture,  
22 leisure and amusement for the exclusive use or enjoyment of athletes;

23 (c) Exemption from the payment of individual income taxes: Provided, That their  
24 annual taxable income does not exceed the poverty level as determined by the National  
25 Economic and Development Authority for that year;

26 (d) Exemption from training fees for socioeconomic programs;

27 (e) Free medical and dental service, diagnostic and laboratory fees such as, but not  
28 limited to, x-rays, computerized tomography scans and blood tests, in all government facilities,

1 subject to the guidelines to be issued by the Department of Health in coordination with the  
2 Philippine Health Insurance Corporation (Philhealth);

3 (f) The grant of fifteen percent (15%) discount on medical and dental services, and  
4 diagnostic and laboratory fees provided under Sec. 4 (e) hereof, including professional fees of  
5 attending doctors in all private hospitals and medical facilities, in accordance with the rules and  
6 regulations to be issued by the Department of Health, in coordination with the Philhealth;

7 (g) The grant of fifteen percent (15%) discount in fare for domestic air and sea travel  
8 for the exclusive use or enjoyment of athletes;

9 (h) The grant of fifteen percent (15%) discount in public railways, skyways and bus  
10 fare for the exclusive use and enjoyment of athletes;

11 (i) Educational assistance to athletes to pursue post secondary, tertiary, post tertiary,  
12 as well as vocational or technical education in both public and private schools through provision  
13 of scholarship, grants, financial aid subsidies and other incentives to qualified athletes, including  
14 support for books, learning materials, and uniform allowance, to the extent feasible: Provided,  
15 That athletes shall meet minimum admission requirements;

16 (j) To the extent practicable and feasible, the continuance of the same benefits and  
17 privileges given by the Government Service Insurance System, Social Security System, and  
18 PAG-IBIG, as the case may be, as are enjoyed by those in actual service; and

19 (k) To the extent possible, the government may grant special discounts in special  
20 programs for athletes on purchase of basic commodities, subject to the guidelines to be issued for  
21 the purpose by the Department of Trade and Industry and the Department of Agriculture.

22 In the avilment of the privileges mentioned above, the athlete may submit as proof of  
23 his/her entitlement thereto an identification card issued by the Philippine Sports Commission  
24 showing that he/she is a member of the national team.

25 The establishment may claim the discounts granted under (a), (f), (g) and (h) as tax  
26 deduction based on the net cost of the goods sold or services rendered: Provided That the cost of  
27 the discount shall be allowed as deduction from gross income for the same taxable year that the  
28 discount is granted; Provided, further, That the total amount of the claimed tax deduction net of  
29 value added tax if applicable shall be included in their gross sales receipts for tax purposes and

1 shall be subject to proper documentation and to the provisions of the National Internal Revenue  
2 Code, as amended.

3 SECTION 5. *Duties of the Philippine Sports Commission.* – The Commission shall be in  
4 charge of the following:

5 (a) To maintain and regularly update on a quarterly basis the list of athletes and to  
6 issue nationally uniform individual identification cards, free of charge, which is valid anywhere  
7 in the country;

8 (b) To serve as a general information and liaison center to serve the needs of athletes;

9 (c) To monitor compliance of the provisions of this Act particularly the grant of  
10 special discounts and privileges to athletes; and

11 (d) To assist athletes in filing complaints or charges against any establishment,  
12 institution, or agency refusing to comply with the privileges under this Act before the appropriate  
13 government agency, court, or administrative tribunal.

14 SECTION 6. *Responsibility of Cities and Municipalities.* – It shall be the responsibility of  
15 municipalities and cities, through the mayor, to require all establishments covered by this Act to  
16 prominently display posters, stickers, and other notices that will generate public awareness of the  
17 rights and privileges of athletes and to ensure that the provisions of this Act are implemented to  
18 the fullest.

19 SECTION 7. *Partnership of the National Government and Local Government Units.* –  
20 The national government and local government units shall explore livelihood opportunities and  
21 other undertakings to enhance the well-being of all athletes. They shall encourage the  
22 establishment of grassroots organizations for athletes within the local government units'  
23 respective territorial jurisdictions.

24 SECTION 8. *Penalties.* – Any person who violates any provision of this Act shall suffer  
25 the following penalties:

26 (a) For the first violation, a fine of not less than fifty thousand pesos (P50,000.00) but  
27 not exceeding one hundred thousand pesos (P100,000.00) and imprisonment of not less than six  
28 (6) months but not more than two (2) years; and

1 (b) For any subsequent violation, a fine of not less than one hundred thousand pesos  
2 (P100,000.00) but not exceeding two hundred thousand pesos (P200,000.00) and imprisonment  
3 for not less than two (2) years but not more than six (6) years.

4 Any person who abuses the privileges granted herein shall be punished with a fine of not  
5 less than five thousand pesos (P5,000.00) but not more than fifty thousand pesos (P50,000.00),  
6 and imprisonment of not less than six (6) months.

7 If the offender is a corporation, partnership, organization, or any similar entity, the  
8 official thereof directly involved shall be liable therefore.

9 If the offender is an alien or a foreigner, he or she shall be deported immediately after  
10 service of sentence without further deportation proceedings.

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

15 SECTION 9. *Monitoring and Coordinating Council.* – A monitoring and coordinating  
16 council shall be established to be chaired by Secretary of Social Welfare and Development or  
17 his/her duly authorized representative. The Secretaries of Justice, Health, and the Interior and  
18 Local Government, or their duly authorized representatives, the Chair of the Philippine Sports  
19 Commission or his/her duly authorized representative, and the duly authorized representatives of  
20 five (5) nongovernment organizations representing athletes shall serve as members of the  
21 council: Provided that the nongovernment organizations shall be accredited by the Commission.

22 SECTION 10. *Implementing Rules and Regulations.* – The Commission, within sixty (60)  
23 days from the approval of this Act, shall promulgate the rules and regulations for the effective  
24 implementation of the provisions of this Act.

25 SECTION 11. *Appropriations.* – Upon the effectivity of this Act, such amounts necessary  
26 to carry out the provisions of this Act shall be charged out of the funds of the Office of the  
27 President. Thereafter, the amounts necessary for the regular implementation of this Act shall be  
28 included in subsequent General Appropriations Acts.

1           SECTION 12. *Separability Clause.* — If any provision, or part hereof, is held invalid or  
2 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain  
3 valid and subsisting.

4           SECTION 13. *Repealing Clause.* — Any law, presidential decree or issuance, executive  
5 order, letter of instruction, administrative order, rule or regulation contrary to or is inconsistent  
6 with the provision of this Act is hereby repealed, modified, or amended accordingly.

7           SECTION 14. *Effectivity Clause.* — This Act shall take effect fifteen (15) days after its  
8 publication in at least two (2) newspapers of general circulation.

Approved,