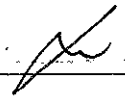


FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
Second Regular Session )

9 JUN 10 P2:42

SENATE  
S. B. No. **3315**

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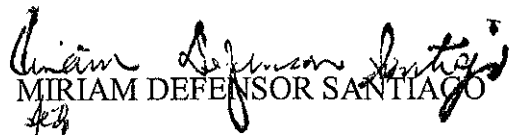
Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

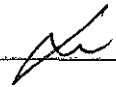
In response to numerous complaints about additional surcharges in transactions involving Credit/ATM/Debit Cards, the Department of Trade and Industry issued Department Administrative Order 10. Its main purpose is to make retail stores use only one price tag for every product they sell; and, the stated price on the tag should be the same for all customers, whether paying cash or by credit card or debit-ATM card.

This Act is a reiteration of the policy behind the issuance of DAO 10. By protecting the consumers, especially those who use Credit/ATM/Debit Cards, against additional surcharges, we encourage more transactions. More transactions mean more business for retail establishments, and this is a big help in a troubled worldwide economy.

DAO 10 should be given a more "permanent" status as a legislative act, rather than in its present form. This would ensure stability in its enforcement. This Act also increases the penalties provided in the order and it also enumerates some of the more "popular" ways by which the DAO 10 was circumvented by some scheming retailers.

  
MIRIAM DEFENSOR SANTIAGO

SENATE  
S. B. No. 3315

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

1 AN ACT PROHIBITING THE IMPOSITION OF A SURCHARGE, EXTRA CHARGE OR  
2 ADDITIONAL CHARGE IN THE USE OF CREDIT/AUTOMATED TELLER MACHINE  
3 (ATM)/DEBIT CARDS FOR PAYMENT OF PURCHASES OF  
4 CONSUMER PRODUCTS OR SERVICES

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

5 SECTION 1. *Policy.* It is the policy of the State to protect the interests of the consumer,  
6 promote his general welfare and to establish standards of conduct for business and industry.

7 SECTION 2. *Prohibition Against Surcharging by Retailers.* All retailers who honor or  
8 accept credit/ATM/debit cards for payment shall not require the cardholders to pay a surcharge,  
9 extra charge, or additional charge over and above the price tag on the consumer goods and  
10 services. The prohibition under this section shall include, but not limited to, the following  
11 instances:

- 12 A) Having a different price tag for cash and Credit/ATM/Debit card transactions on the  
13 same product or service; or  
14 B) Imposing additional charges for Credit/ATM/Debit card transactions which are not  
15 reflected in the price tag; or  
16 C) Not giving the same discount/sale price on the same product/service for  
17 Credit/ATM/Debit Card transaction as opposed to cash transaction.

18 SECTION 3. *Penalty.* Upon conviction of a violation of this Act, a fine of One  
19 Hundred Thousand Pesos (Php 100, 000.00) and imprisonment of not less than one (1) month but  
20 not more than six (6) months shall be imposed. A second conviction shall carry with it the

1 penalty of revocation of business permit/license and imprisonment of not less than six (6) months  
2 but not more than two (2) years.

3 SECTION 4. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or  
4 parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or  
5 modified accordingly.

6 SECTION 5. *Effectivity Clause.* – This Act shall take effect after fifteen (15) days  
7 following its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

8 Approved,