THIRTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

# SENATE 5. No. 772

# INTRODUCED BY HON. MANUEL B. VILLAR, JR.

#### EXPLANATORY NOTE

In the past few years, we have seen the decline in foreign tourist arrivals due to lack of basic infrastructure and unstable peace and order situation.

Thus it is high time to tap new market to visit our tourist attractions by involving the local residents in reshaping our country's tourism industry.

Since Filipinos are by nature great travelers and explorers, this bill aims to promote local tourism by attracting our citizenry to explore the country's scenic spots.

In view of the foregoing, urgent passage of this measure is recommended.

MANUÉL B. ILLAR, JR.

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SENATE S. No. 772

### INTRODUCED BY HON. MANUEL B. VILLAR, JR.

#### AN ACT

## GRANTING CERTAIN INCENTIVES TO RESIDENT FILIPINOS WHO WILL TRAVEL TO DOMESTIC TOURIST DESTINATIONS 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 "Domestic Travel Incentives Act of 2004".

SECTION 2. Declaration of Policy. - It is hereby declared the policy of the State

- a. To encourage activities and programs that will promote tourism awareness;
- b. Enhance the continued viability of our local travel industry and tour operation industry;
- c. Develop ecotourism and promote intrinsic attractions of our various tourist destinations;
- d. Encourage the active participation of its citizenry in promoting the Philippines, exploring new local environs, understanding our culture and values, and patronizing our local tourism industry..

SECTION 3. *Persons Qualified to Join.* - Only resident Filipino citizens can avail of this incentive package.

Professionals or those employed in the government service or private sector must present a valid office identification card. With respect to government employees, an approved travel request from the employer is also required.

SECTION 4 *Nature of Incentives.* - Resident Filipino citizens who wish to travel to a particular tourist destination designated by the Department of Tourism shall be given a full twenty percent (20%) discount for traveling, accommodation and meal expenses. Nothing in this section shall mean to diminish any incentives already provided by law, presidential decrees or issuances, executive orders, letters of instruction, administrative orders, memoranda, circulars, rules or regulations.

Employees may be granted the privilege of a local travel leave for a maximum of three (3) continuous working days, by visiting prime tourist destinations to be designated by the Department of Tourism. A certificate of appearance from the particular tourist destination must be submitted by the employee as proof of his travel.

SECTION 5. Applicability. - The incentives mentioned in the preceding section can be availed of once a year for a period of three (3) years commencing from the effectivity date of this Act.

SECTION 6. Incentives for Operators. - Provincial Bus Operators, Hotel and Restaurant Operators, Travel Tour Operators, Commercial Vessel Operators, Airline Operators and Travel Agencies which will actively support this Act will be given a five (5) percent tax rebate on their Income Tax Return for the next three (3) years.

The Department of Finance shall prepare the necessary guideline for this incentive in coordination with the Department of Tourism.

SECTION 7 *Implementing Agencies.* - The Department of Tourism in coordination with the Department of Transportation and Communications, Department of Trade and Industry, Department of Labor and Employment, Civil Service Commission and Department of Finance shall issue the implementing guidelines of this Act in consultation with the Heads of the Hotel and Restaurant Association of the Philippines (HRAP), the Philippine Tour Operators Association (PHILTOA),the Domestic Shipping Industry, the Commercial Airline Industry, the Provincial Bus Operators Association, and the Philippine Travel Agencies Association (PTAA) to effectively and successfully implement this Act.

These agencies shall have thirty (30) days from the approval of this Act to submit the final implementing guidelines.

The Department of Tourism and Department of Transportation and Communications shall jointly publish the implementing guidelines in two (2) newspapers of general circulation.

SECTION 8. Separation Clause. - If any provision of this Act is declared unconstitutional, the same shall not affect the validity of the other provisions.

SECTION 9. *Repealing Clause*. - All acts, executive orders, rules and regulations or parts thereof inconsistent with any of the provisions of this Act are hereby repealed or modified accordingly.

SECTION 10. *Effectivity*. - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,