




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

'14 DEC -3 P1:23

SENATE

S. No. 2483

RECEIVED BY: 

Introduced by Senator Ralph G. Recto

AN ACT
EXEMPTING PERSONS WITH DISABILITY FROM THE VALUE-ADDED TAX
ON CERTAIN GOODS AND SERVICES, AMENDING FOR THIS PURPOSE
REPUBLIC ACT NO. 7277, AS AMENDED, OTHERWISE KNOWN AS THE
“MAGNA CARTA FOR PERSONS WITH DISABILITY”

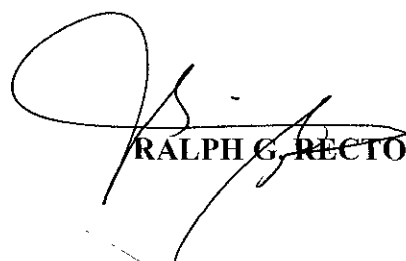
Explanatory Note

Our 1987 Philippine Constitution declares that the State shall promote social justice in all phases of national development and that it values the dignity of every human person and guarantees full respect for human rights. In recognition of these policies enshrined in the organic law, Congress has enacted laws that promote, protect and ensure the full enjoyment of basic human rights by all persons with disabilities (PWDs).

Republic Act No. (RA) 7277 was heralded as a milestone in Philippine legislation as it sought to address numerous concerns of PWDs in the country. This piece of legislation identifies and provides for the rights of PWDs in the areas of employment, education, health, auxiliary social services, and telecommunications. Furthermore, the said law recognizes and ensures the protection of all the civil and political rights of PWDs by prohibiting any and all acts of discrimination against PWDs. Its amendatory law, RA 9442 expanded and strengthened the rights of PWDs by providing privileges and incentives to PWDs similar to those being enjoyed by our senior citizens such as discounts on purchases of selected goods and services.

In a study conducted by the United Nations Economic and Social Commission for Asia and the Pacific (UN-ESCAP), it was noted that persons with disability often belong to the poorest segments of the population. Bearing this in mind and the fact that selected purchases by senior citizens are now exempt from Value-added Tax (VAT) by virtue of RA 9994 or the Expanded Senior Citizens Act of 2010, this bill seeks to amend Section 32 of RA 7277, as amended, by granting exemption from the 12% VAT selected purchases of goods and services by PWDs on top of the 20% discount they currently enjoy under the law. Therefore, once enacted into law, PWDs would be able to earn additional savings from their purchases and effectively place them at par with our senior citizens in terms of privileges and incentives granted under Philippine laws.

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


RALPH G. RECTO



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

1 **SECTION 1.** Section 32 of Republic Act No. 7277, otherwise known as the
2 “Magna Carta for Persons With Disability,” as amended, is hereby further amended to
3 read as follows:

4 “SEC. 32. Persons with disability shall be entitled to the following:

5 “(a) At least twenty percent (20%) discount **AND EXEMPTION FROM**
6 **THE VALUE-ADDED TAX (VAT), IF APPLICABLE,** from all
7 establishments relative to the utilization of all services in hotels and
8 similar lodging establishments; restaurants and recreation centers for the
9 exclusive use or enjoyment of persons with disability;

10 “(b) A minimum of twenty percent (20%) discount **AND EXEMPTION**
11 **FROM THE VALUE-ADDED TAX (VAT), IF APPLICABLE,** on
12 admission fees charged by the theaters, cinema houses, concert halls,
13 circuses, carnivals and other similar places of culture, leisure and
14 amusement for the exclusive use or enjoyment of persons with disability;

15 “(c) At least twenty percent (20%) discount **AND EXEMPTION FROM**
16 **THE VALUE-ADDED TAX (VAT), IF APPLICABLE,** for the

1 purchase of medicines in all drugstores for the exclusive use or enjoyment
2 of persons with disability;

3 “(d) At least twenty percent (20%) discount **AND EXEMPTION FROM**
4 **THE VALUE-ADDED TAX (VAT), IF APPLICABLE**, on medical and
5 dental services including diagnostic and laboratory fees such as, but not
6 limited to x-rays, computerized tomography scans and blood tests, in all
7 government facilities, subject to guidelines to be issued by the Department
8 of Health (DOH), in coordination with the Philippine Health Insurance
9 Corporation (PHILHEALTH);

10 “(e) At least twenty percent (20%) discount **AND EXEMPTION FROM**
11 **THE VALUE-ADDED TAX (VAT), IF APPLICABLE**, on medical and
12 dental services including diagnostic and laboratory fees, and professional
13 fees of attending doctors in all private hospitals and medical facilities, in
14 accordance with the rules and regulations to be issued by the DOH, in
15 coordination with the PHILHEALTH;

16 “(f) At least twenty percent (20%) discount **AND EXEMPTION FROM**
17 **THE VALUE-ADDED TAX (VAT), IF APPLICABLE**, on fare for
18 domestic air and sea travel for the exclusive use or enjoyment of persons
19 with disability;

20 “(g) At least twenty percent (20%) discount **AND EXEMPTION FROM**
21 **THE VALUE-ADDED TAX (VAT), IF APPLICABLE**, in public
22 railways, skyways and bus fare for the exclusive use and enjoyment of
23 persons with disability;

24 “xxx.”

25 **SEC. 2.** *Implementing Rules and Regulations.* – The Department of Social
26 Welfare and Development (DSWD), Department of Health (DOH), Department of
27 Finance (DOF) and the National Council on Disability Affairs (NCDA) shall promulgate

1 the necessary rules and regulations for the effective implementation of the provisions of
2 this Act.

3 **SEC. 3. *Separability Clause.*** - If any provision of this Act is declared invalid or
4 unconstitutional, other provisions hereof which are not affected thereby shall remain in
5 full force and effect.

6 **SEC. 4. *Repealing Clause.*** - All laws, orders, decrees, rules and regulations, and
7 other parts thereof inconsistent with the provisions of this Act are hereby repealed,
8 amended or modified accordingly.

9 **SEC. 5. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its
10 publication in Official Gazette or in at least two (2) national newspapers of general
11 circulation.

12 *Approved,*