


NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )



'22 JUL -7 P 2 :05

SENATE  
Senate Bill No. 76

RECEIVED BY: 

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**Introduced by Senator Aquilino “Koko” Pimentel III**

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**AN ACT  
ABOLISHING THE TRAVEL TAX ON FILIPINOS AND ON  
NATIONALS OF ASSOCIATION OF SOUTHEAST ASIAN  
NATIONS (ASEAN) MEMBER STATES TRAVELLING TO  
OTHER ASEAN MEMBER STATES**

**EXPLANATORY NOTE**

Article III, Section 6 of the 1987 Philippine Constitution recognizes the Filipino People’s right to travel. This is the Bill of Rights guaranteeing such a right. This right to travel shall not be impaired except in the interest of national security, public safety, or public health, as may be provided by law.

In 1956, Republic Act No. 1478 introduced a tax on all fares of passengers leaving the country as well as on fares of those returning or coming in, if payable in the Philippines. Today, travel tax is a levy imposed by the Philippine government on individuals who are leaving the country irrespective of the place where the air ticket is issued and the form or place of payment, as provided for by Presidential Decree No. 1183, as amended.

The laws mentioned above, a Republic Act and a Presidential Decree, were enacted and issued before the effectivity of the 1987 Constitution. It is the submission of the undersigned author of this

measure that the Filipino's right to travel abroad is unconstitutionally impaired with the imposition of a travel tax.

The travel tax was originally imposed to curtail unnecessary foreign travels and to conserve foreign exchange. Subsequently, the travel tax was used to generate much needed funds for tourism-related programs and projects especially for the development and enhancement of the country's competitiveness as a major tourist destination.

Filipinos are already paying a huge portion of their income to the national government via the income tax, not to mention the substantial amounts taken by indirect taxes like the VAT. The national government should not shift the burden of improving our tourism facilities and infrastructure to those Filipinos exercising their right to travel.

Furthermore, on November 4, 2002, the *ASEAN Tourism Agreement* was signed with the Philippines as one of the signatories. *Article 2(3) on Facilitation of Intra-ASEAN and International Travel*<sup>1</sup> provides for the removal of travel levies and travel taxes on nationals of ASEAN Member States travelling to other ASEAN Member States. However, our existing travel tax system still covers these individuals. Hence, we need to amend our laws in order to comply with our international commitment.

In view of the foregoing, the passage of this measure is earnestly requested.

  
AQUILINO "KOKO" PIMENTEL III

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<sup>1</sup> ARTICLE 2

FACILITATION OF INTRA-ASEAN AND  
INTERNATIONAL TRAVEL


Member States shall facilitate travel within and into ASEAN by:

1. Extending visa exemption arrangement for nationals of ASEAN Member States traveling within the region on the basis of bilateral visa exemption agreements concluded between Member States that are ready to do so;
2. Harmonising the procedures for issuing visas to international travelers;
3. **Phasing out travel levies and travel taxes on nationals of ASEAN Member States traveling to other ASEAN Member States;**
4. Encouraging the use of smart cards for ASEAN business and frequent travelers and, where appropriate, for cross-border travel on the basis of bilateral agreements concluded between Member States that are ready to do so;
5. Improving communications with international travelers through the use of universal symbols and multi-lingual signs and forms; and
6. Easing the process of issuance of travel documents and progressively reducing all travel barriers.

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

1           **SECTION 1.** *Abolishing the Travel Tax.* – Travel tax shall no longer  
2 be imposed on the following individuals:

- 3  
4           a) Filipinos leaving the Philippines; and  
5           b) Nationals of the Association of Southeast Asian Nations  
6           (ASEAN) Member States leaving the Philippines and  
7           travelling to other ASEAN member states.

8  
9           **SEC. 2.** *Repeal.* – Presidential Decree No. 1183, as amended, laws,  
10 executive orders or parts thereof inconsistent with this Act are hereby  
11 repealed, modified, or amended accordingly.

12  
13           **SEC. 3.** *Separability Clause.* – Should any provision or part of this  
14 Act be declared unconstitutional or invalid, the other provisions and parts  
15 hereof, insofar as they are separable from the invalid ones, shall remain in  
16 full force and effect.

1           **SEC. 4. Effectivity.** - This Act shall take effect fifteen (15) days after  
2 its publication in the *Official Gazette* or in at least two (2) newspapers of  
3 general circulation.

*Approved,*