

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

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#### SENATE

S.B. No. 2459

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## Introduced by SENATOR IMEE R. MARCOS

## AN ACT AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 9593, OTHERWISE KNOWN AS THE TOURISM ACT OF 2009, AND FOR OTHER PURPOSES

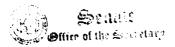
#### EXPLANATORY NOTE

Tourism is considered one of the top priorities of the national government in view of its potential in boosting the country's economy. The importance of tourism as an economic tool and a job-generating industry was highlighted by President Ferdinand Marcos Jr. during his first State of the Nation Address on 25 July 2022. The President also directed the Secretaries of Tourism and Public Works and Highways to develop the country's airport infrastructure, among others, to promote the Philippines as a prime tourist destination.

The Ninoy Aquino International Airport (NAIA), considered as the main gateway to the Philippines, was labelled as the "worst business class airport in the world" by California-based luggage storage app Bounce in May 2022. This unpleasant image was aggravated by the recent air traffic system glitch at the NAIA terminals, which paralyzed both international and domestic flight operations, last 01 January 2023. Such fiasco may adversely affect the country's tourism sector.

To provide additional funding for the enhancement of the country's air transport system, this bill seeks to amend Sections 72 and 73 of Republic Act No. 9593 to increase the Tourism Infrastructure and Enterprise Zone Authority's allocation from travel tax collection and earmark 10% thereof for the rehabilitation and improvement of air transport infrastructure.

Thus, the passage of this bill is earnestly sought.



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#### **AN ACT**

### AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 9593, OTHERWISE KNOWN AS THE TOURISM ACT OF 2009, AND FOR OTHER PURPOSES

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

1	SECTION 1. Section 72 of Republic Act (RA) No. 9593, otherwise known as "The
2	Tourism Act of 2009', is hereby amended to read as follows:
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4	"SECTION 72. Funding. – The TIEZA shall obtain the funds for its operations from
5	the following:
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7 8	(a) [Fifty] SIXTY percent [(50%)] (60%) of the proceeds from travel tax collections;
o 9	(b) A reasonable share from the collections of the Office of Tourism Resource
9 10	Generation, to be determined by the Department;
11	(c) Income from projects managed by the TIEZA; and
12	(d) Subsidies or grants from local and foreign sources that may be received by
13	the TIEZA.
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15	At least five percent (5%) from the travel tax collection which shall accrue to the
16	TIEZA shall be earmarked for the development of historic, cultural, religious and
17	heritage sites and prime tourist destinations. Another five percent (5%) shall be
18	earmarked for the development of ecotourism sites in depressed provinces with
19	strong tourism potentials. TEN PERCENT (10%) SHALL BE EARMARKED
20	FOR THE REHABILITATION AND IMPROVEMENT OF AIR TRANSPORT
21	INFRASTRUCTURE INCLUDING BUT NOT LIMITED TO DOMESTIC AND
22	INTERNATIONAL TERMINALS, RUNWAYS, TAXIWAYS, PASSENGER
23	TERMINALS AND OTHER SUPPORT INFRASTRUCTURE."
24	XXX

1 SEC. 2. Section 73 of RA No. 9593 is hereby amended to read as	s follows:
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"Section 73. Collection and Allocation of Travel Taxes. – For purposes of this Act, the TIEZA shall be the principal agency responsible for the timely collection of travel taxes.

Amounts to be collected by the TIEZA shall be distributed in the manner provided for under this Act: Provided, That the national government shall look for alternative funding sources for programs funded by the travel tax in the event of a phase out of travel tax collection following international agreements.

Pursuant to Section 72 of this Act, [fifty] SIXTY percent [(50%)] (60%) of the
proceeds from travel tax collections shall accrue to the TIEZA.

The government's contribution to the Higher Education Development Fund, equivalent to [forty] **THIRTY-FIVE** percent [(40%)] (**35%**) from the total gross collections of the travel tax, shall be retained: Provided, That the Commission on Higher Education (CHED) shall give priority to tourism-related educational programs and courses. The [ten] **FIVE** percent [(10%)] (**5%**) share of the National Commission for Culture and the Arts from the total gross collections of the travel tax shall likewise be retained."

SEC. 3. *Repealing Clause.* – All laws, presidential decrees, letters of instructions,
executive orders, rules and regulations insofar as they are inconsistent with this Act,
10 are hereby repealed or amended as the case may be.

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**SEC. 4.** *Effectivity.* – This Act shall take effect after fifteen (15) days following the completion of its publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,