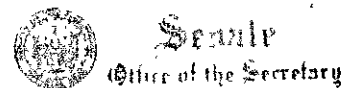


SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



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SENATE
P.S.R. No. **1015**

RECEIVED BY: W

Introduced by Senator Aquilino "Koko" Pimentel III

**A RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE(S), TO
CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE
INTEGRATION OF THE INTERNATIONAL PASSENGER SERVICE
CHARGE (IPSC), ALSO KNOWN AS TERMINAL FEES, IN ALL
AIRLINE TICKETS PURSUANT TO MANILA INTERNATIONAL
AIRPORT AUTHORITY (MIAA) MEMORANDUM CIRCULAR NO. 8,
SERIES OF 2014, IN THE LIGHT OF THE EXISTING STATUTORY
EXEMPTION FROM THE PAYMENT OF TRAVEL TAX AND
AIRPORT FEE GRANTED TO OVERSEAS FILIPINO WORKERS
(OFWS)**

WHEREAS, our Overseas Filipino Workers (OFWs) are exempted from the payment of travel tax and airport fee, upon proper showing of proof of entitlement issued by the Philippine Overseas Employment Administration (POEA), as provided for in *Section 35 of Republic Act 8042*, as amended by *Republic Act 10022*;

WHEREAS, in September, the Manila International Airport Authority (MIAA), pursuant to the policy of removing unnecessary barriers to travel and simplifying travel regulations, issued *Memorandum Circular No. 08, series of 2014*, the implementing guideline for the integration of the International Passenger Service Charge (IPSC) into the airline ticket point of sale (the "Circular");

WHEREAS, under the Circular, effective November 1, 2014, the OFWs will have to pay the IPSC amounting to Five Hundred and Fifty Pesos (PhP550.00) for tickets obtained online and outside of the country since the IPSC will be collected by default, subject only to refund at the airport's designated counters, in violation of their existing statutory exemption;

WHEREAS, Labor Secretary Rosalinda Baldoz, in her letter dated October 7, 2014, addressed to Secretary Joseph Abaya of the Department of Transportation and Communication (DOTC), stated that: "*While there is a*

refund scheme the MIAA has put in place for terminal fees to be integrated into the airline tickets, we reiterate our earlier position articulated by our representatives during the meetings called by MIAA to continuously and automatically exempt the OFWs from paying the IPSC (International Passenger Service Charge) even for tickets purchased abroad or via online. This is pursuant to Republic Act (RA) 8042 as amended by RA 10022 that mandates the exemption of migrant workers from the payment of the travel tax, documentary stamp and airport fee upon proper showing of proof of entitlement which is the OEC issued by the POEA;

WHEREAS, the Regional Trial Court of Pasay City, Branch 109, in an Order dated October 30, 2014 in Case No. R-PSY-14-18063-CV for Certiorari with request for Temporary Restraining Order and Preliminary Injunction and/or Status Quo Ante Order entitled, "Señeres vs. DOTC," enjoined for a period of twenty (20) days the November 1 implementation of the Circular;

WHEREAS, Congress is duty-bound to ensure that issuances by government agencies do not violate the laws passed by the legislature. It has a legitimate interest in calling for an investigation on the implementation of the Circular considering that the same has the potential of rendering nugatory the existing statutory exemptions granted to the OFWs, our modern-day heroes; and

WHEREAS, as a matter of policy, expediency should never override substantive rights. The statutory exemption from payment of travel tax and airport fee is a recognition by the State of the vital role of our OFWs. Therefore, the statutory exemption granted to them shall prevail over the policy of "removing barriers to travel and simplifying travel regulations;"

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED BY THE PHILIPPINE SENATE THAT THE APPROPRIATE SENATE COMMITTEE(S), BE DIRECTED TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE INTEGRATION OF THE INTERNATIONAL PASSENGER SERVICE CHARGE (IPSC), ALSO KNOWN AS TERMINAL FEES, IN ALL AIRLINE TICKETS PURSUANT TO MANILA INTERNATIONAL AIRPORT AUTHORITY (MIAA) MEMORANDUM CIRCULAR NO. 8, SERIES OF 2014, IN THE LIGHT OF THE EXISTING STATUTORY EXEMPTION FROM THE PAYMENT OF TRAVEL TAX AND AIRPORT FEE GRANTED TO OVERSEAS FILIPINO WORKERS (OFWS).

Adopted,


AQUILINO "KOKO" PIMENTEL III