

"16 SEP 21 P5:30

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

SENATE

S. B. No. _1168

Introduced by Senator Aquilino "Koko" Pimentel III

AN ACT

INSTITUTING THE EXPANDED BALIKBAYAN PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6768, AS AMENDED BY REPUBLIC ACT NO. 9174, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Article II, Section 18 of the 1987 Constitution provides that "The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare."

In 2015, approximately 2.377 million Overseas Filipino Workers (OFWs) were deployed abroad¹. According to the *Bangko Sentral ng Pilipinas*, personal remittances by OFWs reached \$2.7 billion in March 2016, which was higher by 4.3% compared to the first quarter of last year.² We cannot thus take for granted the crucial role played by our OFWs in helping sustain the continuous development of our economy through the foreign currencies remitted to their families back home.

On its part, the State must make certain that our prevailing legislation would help augment not only the lives of our OFWs, but also of their families who are left behind.

¹ Philippine Statistics Authority. 2015 Survey on Overseas Filipinos

² Retrieved from http://www.rappler.com/business/economy-watch/133262-ofw-remittances-march-q1-2016. Retrieved on September 19, 2016.

Relatives and loved-ones of OFWs in the Philippines receive 400,000 *balikbayan* boxes every month on the average³. For OFWs, the *balikbayan* box is an enduring testament of their sacrifice and hard work abroad in order to secure a better future for their families back home. It represents the love and care of OFWs for their families, who have to bear months or even years of separation from each other.

This measure seeks to mandate the "NO OPENING OF BOX" Policy of *balikbayan* boxes by the Bureau of Customs (BoC) personnel and to exempt from taxes and duties one (1) *balikbayan* box per month, regardless of the total dutiable value of its contents. In recognition of the significant contribution of our OFWs to our national economy, this legislation is but a small measure of assistance in view of the tireless efforts of our OFWs, who work selflessly abroad and endure long separation and loneliness from their loved ones.

Thus, the immediate passage of this bill is thus earnestly sought.

KOKO" PIMENTEL III

³ GMA News Network News. Retrieved From: http://www.gmanetwork.com/news/story/533558/news/pinoyabroad/bocbalikbayan-boxes-being-used-for-technical-smuggling. Retrieved on: August 24, 2015.



SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*

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SENATE

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S. B. No. 1168

Introduced by Senator Aquilino "Koko" Pimentel III

AN ACT

INSTITUTING THE EXPANDED BALIKBAYAN PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6768, AS AMENDED BY REPUBLIC ACT NO. 9174, AND FOR OTHER PURPOSES

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

Section 1. Section 2, sub-section (b) of Republic Act No. 6768
(R.A. 6768), as amended by Republic Act No. 9174, is hereby further
amended to read as follows:

"(b) THE TERM "FAMILY" SHALL INCLUDE THE 9 FOLLOWING: 10 (b-1) The spouse and children of the *balikbayan* who are not 11 balikbayans in their own right traveling with the latter to the 12 Philippines; 13 (b-2) THE PARENTS, GRANDPARENTS, BROTHERS 14 OR SISTERS (WHETHER BY WHOLE OR HALF-15 BLOOD) OF THE BALIKBAYAN; AND 16 (b-3) THE RELATIVES OF THE BALIKBAYAN BY 17 CONSANGUINITY IN THE COLLATERAL LINE 18 (4^{TH}) FOURTH WITHIN THE DEGREE OF 19 **RELATIONSHIP.**" 20

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Section 2. A new sub-section under Section 2 is hereby inserted to read as follows:

- ³ **"SECTION 2**. *Definition of Terms*. For purposes of this Act:
- 4 (a) xxx;
- 5 (b) xxx;
- 6 (c) xxx; AND

 (\mathbf{d}) THE TERM "BALIKBAYAN BOX" SHALL MEAN THE 7 RECEPTACLE OF PERSONAL AND/OR 8 HOUSEHOLD EFFECTS, INCLUDING LIVELIHOOD 9 **TOOLS, IN NON-COMMERCIAL QUANTITY WHICH** 10 ARE SENT BY BALIKBAYANS TO THEIR FAMILY 11 **AS DEFINED IN THIS ACT."** 12

- Section 3. A new sub-section under Section 3 is hereby inserted to read as follows:
- "SECTION 3. Benefits and Privileges of the Balikbayan. The
 balikbayan and his family shall be entitled to the following:
- 17 XXX

(H) ONE (1) BALIKBAYAN BOX MEASURING 24 INCHES 18 BY 24 INCHES BY 30 INCHES (24" X 24" X 30"), SENT 19 EACH MONTH BY A BALIKBAYAN TO HIS OR HER 20 FAMILY SHALL BE EXEMPTED FROM ALL DUTIES 21 TAXES IMPOSED AND UNDER THE NATIONAL 22 INTERNAL REVENUE CODE OF 1997 (NIRC). AS 23 AMENDED, AND THE TARIFF AND CUSTOMS CODE OF 24 THE PHILIPPINES (TCCP), AS AMENDED. 25

UPON ENTRY AT EACH GOVERNMENT PORT. 26 **BALIKBAYAN BOXES SHALL ONLY BE SUBJECTED TO** 27 NON-INTRUSIVE METHODS OF INSPECTION BY THE 28 **BUREAU OF CUSTOMS (BOC) PERSONNEL, THROUGH** 29 USE OF THE TRAINED CANINE UNITS. X-RAY 30 DETECTION AND INSPECTION SYSTEMS, OR OTHER 31

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SIMILAR TECHNOLOGIES AND SHALL NOT BE
 OPENED BY BOC PERSONNEL.

BALIKBAYAN BOXES CAN ONLY BE OPENED BY BOC PERSONNEL IN THE FOLLOWING CIRCUMSTANCES:

5(1)WHENTHECONSIGNOR'SEXPORT6DECLARATION AND PACKING LIST ARE NOT7ATTACHED TO THE BALIKBAYAN BOX; OR

WHEN THE BOC IS IN RECEIPT OF A WRITTEN (2)8 DEROGATORY ALERT/INFORMATION FROM LAW 9 ENFORCEMENT AND **OTHER** GOVERNMENT 10 AGENCIES, OR PRIVATE SOURCES, PROVIDED 11 THAT IN THE LATTER CASE, THE INFORMATION 12 IS **EMBODIED** IN A **SWORN STATEMENT** 13 ALLEGING THAT THE BALIKBAYAN 14 BOX **CONTAINS BANNED. PROHIBITED.** 15 OR **REGULATED IMPORT COMMODITIES AS LISTED** 16 UNDER THE TCCP OR OTHER RELATED LAWS 17 AND ISSUANCES." 18

Section 4. Separability Clause. Should any provision of this Act or part hereof be declared unconstitutional, the other provisions or parts not affected thereby shall remain valid and effective.

Section 5. *Repealing Clause*. All laws, decrees, orders, and issuances, or portions thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

Section 6. *Effectivity Clause*. This Act shall take effect after fifteen (15) days from its publication in two (2) newspapers of general circulation.

Approved,