

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



'17 FEB 21 P2:04

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SENATE

S. B. No. 1340

Introduced by Senator JUAN MIGUEL F. ZUBIRI

AN ACT
PROHIBITING THE IMPOSITION OF EXPIRY DATES ON
GIFT CHECKS BY ISSUERS AND FOR OTHER PURPOSES

EXPLANATORY NOTE

It is a great loss and disadvantage to the bearer or owner of gift certificate, check, card or voucher if such has an expiry date and not used-up before the expiration date especially if such gift certificate, check, card or voucher has been obtained in exchange for cash.

In a general sense, a gift certificate, check, card or voucher is, for all intents and purposes, good as cash. It is purchased with money and money having no expiry date, it follows that gift certificate, check, card or voucher must bear no expiry date.

It is a well-accepted view that since gift certificate, check, card or voucher is bought with money, it must also be redeemable until used-up by the holder or owner. Money does not expire unless it is already demonetized which rarely happens. So the same must apply to gift certificate, check, card or voucher.

Though the Department of Trade and Industry has already issued Department Administrative Order No. 10-04, S. 2010, which prohibits the issuance of gift certificate, check or card with expiry date by a supplier, it warrants that such policy be institutionalized through an enactment of Congress. Also, the Administrative Order does not clearly impose penalties for violators while this bill imposes hefty fines and other penalties for violators of the law. It begs to give teeth to the law through this bill so that violations will be minimized if not eliminated.

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



JUAN MIGUEL F. ZUBIRI



Senate

Office of the Secretary

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

3
4 **SECTION 1. *Short Title.*** – This Act shall be known as the "*Gift Check Act of 2017*".

5
6 **SEC. 2. *Expiry Date Prohibition.*** – The imposition of expiry date on gift certificate,
7 check, card, voucher or other similar instrument is hereby prohibited. Gift certificate,
8 check, card, voucher or other similar instrument shall be redeemable until all the
9 monetary value or equivalent goods or services has been used up by the bearer.

10
11 **SEC. 3. *Coverage.*** – This Act shall cover all types of gift certificate, check, card, voucher
12 or other similar instrument issued by an Issuer and obtained by the bearer in exchange
13 for cash or won through a contest, raffle or lottery.

14
15 **SEC. 4. *Issuer.*** – A commercial establishment or business entity which issues gift
16 certificate, check, card, voucher or other similar instruments.

17
18 **SEC. 5. *Exemptions.*** – Exempted from the coverage of this Act are the following:

19
20 a) when the gift certificate, check, card, voucher or other similar instrument issued
21 is for a specific event or activity with a definite date/s such as but not limited to concert,
22 movie, shows, special occasion and festival;

23
24 b) when the gift certificate, check, card, voucher and other similar instrument is
25 lost due to no fault to the issuer; and

26
27 c) when the gift certificate, check, card, voucher and other similar instrument is
28 mutilated or defaced due to no fault of the supplier and such damage prevents the
29 supplier from identifying the security and authenticity features thereof.

1 **SEC. 6. *Penalty.*** – An Issuer who violates the provisions of this Act shall be fined the
2 amount of Two Hundred Thousand Pesos (P200,000.) to Five Hundred Thousand Pesos
3 (P500,000.) on the first offense and Five Hundred Thousand Pesos (P500,000.) to One
4 Million Pesos (P1,000,000.) on the second offense. A penalty of One Million Pesos
5 (P1,000,000.) and revocation of business registration/permit shall be imposed to the
6 Issuer on the third offense.

7
8 **SEC. 7. *Implementing Rules and Regulations.*** – The Department of Trade and
9 Industry shall issue the Implementing Rules and Regulations of this Act within ninety (90)
10 days from the effectivity of this Act.

11
12 **SEC. 8. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in
13 at least two (2) newspapers of general circulation.

14
15 Approved,
16