



SENATE

S. No. 1616

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INTRODUCED BY SENATOR GORDON AND THE MEMBERS OF  
THE COMMITTEE ON ACCOUNTABILITY OF PUBLIC  
OFFICERS AND INVESTIGATIONS

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AN ACT AMENDING CHAPTER V, SECTION 85 OF  
REPUBLIC ACT NO. 9593, OTHERWISE KNOWN  
AS THE "TOURISM ACT OF 2009"

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

1           SECTION 1. Section 85 of Republic Act No. 9593,  
2 otherwise known as the "Tourism Act of 2009", is hereby  
3 amended to read as follows:

4                   "SEC. 85. *General Principles on the Grant*  
5                   *and Administration of Incentives.* –

6                   "(a) Recognizing the strategic economic  
7 importance of tourism, the necessity that  
8 investments within TEZs be properly

1 coordinated with environmental, cultural and  
2 developmental imperatives, and the  
3 fundamental differences between the export  
4 manufacturing and tourism industries, the  
5 TIEZA shall have sole and exclusive  
6 jurisdiction to grant the incentives hereinafter  
7 provided.

8 "In the formulation of rules and  
9 regulations defining and implementing these  
10 incentives, and without derogating therefrom,  
11 the TIEZA may coordinate with the Board of  
12 Investments and other government agencies or  
13 entities responsible for the grant and  
14 administration of incentives to assist in the  
15 development of a rationalized national  
16 investment incentive policy.

17 "In the grant of incentives, it shall give  
18 equal preference to large investments, those  
19 with great potential for employment generation  
20 and those of local small and medium

1 enterprises. Registered tourism enterprises  
2 owned and operated by overseas Filipino  
3 investors shall enjoy the same incentives  
4 granted to TEZ operators and registered  
5 enterprises in general. The amount of required  
6 investments shall be defined in the  
7 implementing rules and regulations of this Act.  
8 The incentive schemes set forth in Sections 86,  
9 87 and 88 shall be in effect UNTIL DECEMBER  
10 31, 2029, [for a period of ten (10) years from the  
11 effectivity of this Act,] which period is subject  
12 to review by the Joint Congressional Oversight  
13 Committee on Tourism.

14 "The TIEZA shall further coordinate with  
15 the Bureau of Customs and the Bureau of  
16 Internal Revenue in the preparation and  
17 enforcement of rules and regulations to prevent  
18 the abuse of these incentives.

1           “The jurisdiction of the TIEZA in the  
2           grant and administration of incentives shall  
3           not be impliedly repealed or modified.

4           “(b) The Department and the DTI shall  
5           promulgate rules and regulations to govern the  
6           relationship between TEZs created under this  
7           Act, and economic zones created under  
8           Republic Act No. 7227, otherwise known as the  
9           Bases Conversion and Development Act of  
10          1992, and Republic Act No. 7916, as amended,  
11          otherwise known as the Special Economic Zone  
12          Act of 1995, where an area comprising a TEZ  
13          overlaps, falls within or encompasses that of an  
14          economic zone: *Provided*, That such rules and  
15          regulations shall consider the special nature  
16          and requirements of tourism in relation to  
17          other industries, establishments and  
18          operations in economic zones. TEZs proclaimed  
19          as such prior to the passage of this Act shall be  
20          transferred to the supervision of the TIEZA.

1           “(c) The investment incentives offered  
2           under this Act shall be without prejudice to  
3           availing other incentives provided under other  
4           laws, decrees and presidential issuances.  
5           However, where such other laws, decrees or  
6           presidential issuances provide for similar or  
7           identical incentive schemes, the investor may  
8           only elect to avail of the scheme provided under  
9           one particular law, decree or presidential  
10          issuance.

11           “(d) LGUs are likewise encouraged to  
12          provide incentives for tourism enterprises  
13          through, among others, reductions in  
14          applicable real estate taxes and waivers of fees  
15          and charges, among others. Should a LGU  
16          grant such incentives, it shall report the same  
17          to the Department and the TPB to assist in the  
18          marketing and promotions of investment in  
19          that LGU.”

1           SEC. 2. *Repealing Clause.* – All laws, decrees, orders,  
2 rules and regulations or other issuances or parts thereof  
3 inconsistent with Section 1 of this Act are hereby repealed or  
4 modified accordingly.

5           SEC. 3. *Effectivity.* – This Act shall take effect fifteen  
6 (15) days following its publication either in the *Official*  
7 *Gazette* or in a newspaper of general circulation in the  
8 Philippines.

Approved,