

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



Senate  
Office of the Secretary

'19 AUG 20 P 2 :38

SENATE  
S. No. 933

RECEIVED BY: \_\_\_\_\_

Introduced by Senator Grace Poe

**AN ACT**  
**GRANTING SENIOR CITIZENS A MINIMUM OF FIVE PERCENT (5%)**  
**DISCOUNT ON THE FIRST 150 KILOWATT HOURS OF ELECTRICITY**  
**CONSUMPTION AND ON THE FIRST 50 CUBIC METERS OF WATER**  
**CONSUMPTION, AND EXEMPTION FROM THE VALUE-ADDED TAX (VAT),**  
**AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 9994, OTHERWISE**  
**KNOWN AS THE "EXPANDED SENIOR CITIZENS' ACT OF 2010"**

**Explanatory Note**

Article II of the 1987 Philippine Constitution is replete with strong provisions on social justice and fair treatment of citizens:

- Section 5. The maintenance of peace and order, the protection of life, liberty, and property, and promotion of the general welfare are essential for the enjoyment by all the people of the blessings of democracy;
- Section 9. The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all;
- Section 10. The State shall promote social justice in all phases of

national development; and

- Section 11. The State values the dignity of every human person and guarantees full respect for human rights.

In the case of senior citizens, the above-listed constitutional principles are embodied in Republic Act No. 9994, otherwise known as the "*Expanded Senior Citizens Act of 2010*". R.A. 9994 recognizes the great contributions of our senior citizens to nation building in that they are considered as "integral part of the Philippine society." Said constitutional principles partially fulfill the right of elderly citizens to "...adequate food, water, shelter, clothing and health care through the provision of income, family and community support and self-help."<sup>1</sup>

Several issues and complaints, however, have been received by concerned government agencies regarding violations or non-compliance by certain establishments with the benefits provided under R.A. 9994. There is a need to further amend certain provisions of said law to ensure its proper implementation.

For instance, the spirit of the law in granting 5% discount to a senior citizen on the monthly utilization of water and electricity has been hampered because Section 4(c) of RA 9994 limits its application to those senior citizens whose consumption does not exceed 100 kilowatt hours (kWh) of electricity and thirty cubic meters (30m<sup>3</sup>) of water. In other words, if a senior citizen consumes, say 100.1 kwh or 30.1 cubic meters of water, he would no longer be entitled to the 5% discount. Thus, the need to amend this law to apply the 5% discount to the first 100 kwh or the first 30 cubic meters of water. And the senior citizens are not even entitled to Value-Added Tax (VAT) exemption despite the very small amount of discount for these utility items.

---

<sup>1</sup> United Nations Principles for Older Persons. Adopted by General Assembly resolution 46/91 of 16 December 1991.

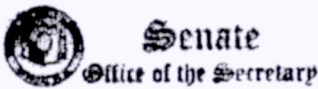
To extend full benefits to our senior citizens, this bill seeks to further amend the consumption threshold for electric and water bills in that the 5% discount shall apply to the first 150 kWh of electricity and the first fifty (50) cubic meters of water consumed in a household where the senior citizen resides and the electric or water meter is registered in his or her name.

It is respectfully requested that this bill be enacted into law.

  
GRACE POE  
act



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



'19 AUG 20 P2:38

SENATE  
S. No. 933

RECEIVED BY:                     

Introduced by Senator Grace Poe

**AN ACT**  
**GRANTING SENIOR CITIZENS A MINIMUM OF FIVE PERCENT (5%)**  
**DISCOUNT ON THE FIRST 150 KILOWATT HOURS OF ELECTRICITY**  
**CONSUMPTION AND ON THE FIRST 50 CUBIC METERS OF WATER**  
**CONSUMPTION, AND EXEMPTION FROM THE VALUE-ADDED TAX (VAT),**  
**AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 9994, OTHERWISE**  
**KNOWN AS THE "EXPANDED SENIOR CITIZENS' ACT OF 2010"**

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

Section 1. *Short Title.* – This Act shall be known as the "*Expanded Senior Citizens Act of 2019*".

Sec. 2. Section 4 (c) of Republic Act No 7432, as amended by Republic Act No. 9257, otherwise known as the "Expanded Senior Citizens Act of 2003", and as further amended by Republic Act No. 9994, otherwise known as "Expanded Senior Citizens Act of 2010", is hereby amended to read as follows:

"SEC. 4. Privileges for the Senior Citizens-

xxx

xxx

"(c) the grant of a minimum of five percent (5%) discount ~~[relative to the monthly utilization of water and electricity supplied by the public utilities:]~~ **ON THE FIRST ONE HUNDRED FIFTY (150) KILOWATT HOURS (KWH) AND ON THE FIRST FIFTY (50) CUBIC METERS RELATIVE TO THEIR MONTHLY UTILIZATION OF WATER AND ELECTRICITY SUPPLIED BY THE PUBLIC UTILITIES, AND EXEMPTION FROM THE VALUE ADDED TAX (VAT),**

1 *Provided*, That the individual meters for the foregoing utilities are registered in the  
2 name of the senior citizen residing therein: [~~*Provided, further, That the monthly*~~  
3 ~~consumption does not exceed one hundred kilowatt hours (100 kWh) of electricity and~~  
4 ~~thirty cubic meters (30 m<sup>3</sup>) of water:~~] *and Provided, furthermore*, That the privilege is  
5 granted per household regardless of the number of senior citizens residing therein."

6       *Sec. 3. Implementing Rules and Regulations.* – Within thirty (30) days from the  
7 enactment of this law, the concerned agencies named under Republic Act No.  
8 9994 shall promulgate the implementing rules and regulations.

9       *Sec. 4. Separability Clause.* – Should any of the provisions above be held  
10 unconstitutional, then the remaining provisions shall remain effective.

11       *Sec. 5. Effectivity Clause.* – This Act shall take effect fifteen (15) days after its  
12 publication in the Official Gazette or in at least two (2) national newspapers of general  
13 circulation.

*Approved,*