



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

'22 AUG -8 AIO :23

SENATE
S. No. 1066

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 principles and state policies on social justice and fair treatment of citizens, including the following:

- (i) 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;
- (ii) 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;
- (iii) Section 10. The State shall promote social justice in all phases of national development; and
- (iv) 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 resonate with 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."¹

There is, however, a need to further amend certain provisions of said law to ensure that its essence is properly captured in the language and that there is proper implementation thereof.

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 (30m³) 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, there is a need to amend this law to apply the 5% discount to the first 100 kwh or the first 30 cubic meters of water. Additionally, it would further benefit senior citizens if they are exempted from Value-Added Tax (VAT) for these essential utility services.

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. Additionally, they shall be exempted from VAT for these services.

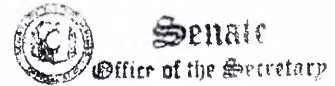
It is respectfully requested that this bill be enacted into law.



GRACE POE

¹ United Nations Principles for Older Persons. Adopted by General Assembly resolution 46/91 of 16 December 1991. Accessed from: <https://www.ohchr.org/en/professionalinterest/pages/olderpersons.aspx>

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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:

1 Section 1. *Short Title.* – This Act shall be known as the "*Expanded Senior Citizens*
2 *Act of 2022*".

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

7 "SEC. 4. Privileges for the Senior Citizens-

8 X x x

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

1 registered in the name of the senior citizen residing therein: [~~Provided,~~
2 ~~further, That the monthly consumption does not exceed one hundred kilowatt~~
3 ~~hours (100 kWh) of electricity and thirty cubic meters (30 m³) of water:] and
4 *Provided, furthermore,* That the privilege is granted per household regardless of
5 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. 9994
8 shall promulgate the implementing rules and regulations.

9 *Sec. 4. Repealing Clause.* – Any law, presidential decree or issuance, executive
10 order, letter of instruction, rule or regulation inconsistent with the provisions of this Act
11 is hereby repealed or modified accordingly.

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

Approved,