

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



Senate
Office of the Secretary

23 JAN 31 P4 :09

SENATE
S.B. No. 1820

RECEIVED BY: _____

Introduced by: **Senator Raffy T. Tulfo**

**AN ACT GIVING SENIOR CITIZENS A 20% DISCOUNT ON TRAVEL TAX,
FURTHER AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 7432,
OTHERWISE KNOWN AS "AN ACT TO MAXIMIZE THE CONTRIBUTION OF
SENIOR CITIZENS TO NATION BUILDING, GRANT BENEFITS AND SPECIAL
PRIVILEGES AND FOR OTHER PURPOSES"**

Explanatory Note

Senior citizens are integral members of the society. As stated in Article XV Section 4 of the 1987 Philippine Constitution, "The family has the duty to care for its elderly members but the State may also do so through just programs of social security." According to Population Undersecretary, Juan Antonio Perez III, senior citizens encompasses 8.5% of the Philippine population. Moreover, it is projected that the number of elderly will increase to 14% by 2035.

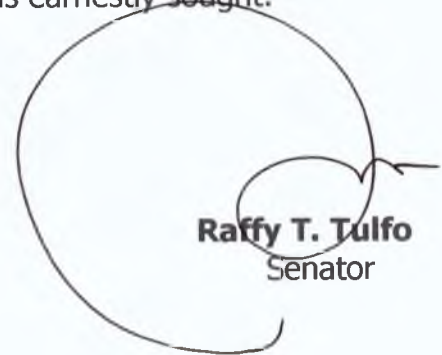
Given their vulnerability, senior citizens are in need of all the assistance and support from the government and members of society. With that being said, in order to further aid and reduce the financial burden of travelling for senior citizens, this proposed measure seeks to provide a 20% discount on travel tax.

As provided by Presidential Decree 1183, the amount of travel tax varies: for Economy Class the full travel tax amounts to Php 1620, while for First Class, the full rate amounts to Php 2,700. In addition there are Standard Reduced Travel Tax, these are only made available for Minors, accredited Filipino journalists whose travels are for a journalistic assignment, and those authorized by the President of the Philippines for reasons of national interests. The Standard Reduced Tax for First Class is Php 1,350 while Economy Class is Php 810. Privileged Reduced Travel Tax are made

available for the legitimate spouse, dependent children under the age of 21, or children with disabilities of Overseas Filipino Workers (OFWs), provided they are traveling to the OFWs worksite. The Privileged Reduce Travel Tax for First Class is Php 400, while Economy class is Php 300.

As many Senior Citizens rely solely on their pension or their families for income, it is imperative to further amend Republic Act No. 7432, or "An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grant Benefits, and Special Privileges and for other Purposes", by giving senior citizens a 20% discount citizens on travel taxes.

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

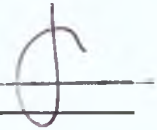


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*Be it enacted by the Senate and House of Representatives of the Philippines in
Congress assembled:*

1 Section 1. Section 4 of Republic Act No. 7432 is hereby further amended to
2 read as follows:

3 "SEC. 4. Privileges for the Senior Citizens. –

4 xxx xxx xxx

5 (m) senior citizens shall be given a 20% discount on travel tax."
6

7 Sec 2. Pursuant to Section 73 of Republic Act No. 9593, the Tourism
8 Infrastructure and Enterprise Zone Authority (TIEZA) shall be the principal agency
9 responsible for the timely and appropriate collection of the travel tax.

10 Sec 3. *Separability Clause.* – If any provision of this Act is declared invalid or
11 unconstitutional, the remaining provisions shall not be affected.

12 Sec 4. *Effectivity.* – This Act shall take effect fifteen (15) days after its
13 publication in the Official Gazette or in at least two (2) newspapers of general
14 circulation.

Approved,