

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*Third Regular Session* )



24 AUG -5 P 1 :27

**SENATE**  
**S. No. 2764**

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Introduced by Senator Raffy T. Tulfo

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**AN ACT**  
**AMENDING PRESIDENTIAL DECREE NO. 1183, OTHERWISE KNOWN AS THE**  
**DECREE AMENDING AND CONSOLIDATING THE PROVISIONS ON TRAVEL**  
**TAX OF REPUBLIC ACT NO. 1478 AS AMENDED AND REPUBLIC ACT NO.**  
**6141, PRESCRIBING THE MANNER OF COLLECTION THEREOF, PROVIDING**  
**PENALTIES FOR VIOLATIONS THEREOF, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

Article III, Section 6 of the 1987 Philippine Constitution recognizes the Filipino People's constitutional right to travel. It is provided that the right to travel shall not be impaired except in the interest of national security, public safety, or public health, as may be provided by law. However despite this, the constitutional right to travel is being impaired by the imposition of the expensive travel tax.

The travel tax is a levy imposed by the Philippine government on individuals who are leaving the country irrespective of the place where the air ticket is issued and the form or place of payment, as provided for by Presidential Decree (PD) 1183, as amended. Pursuant to Section 73 of Republic Act No. 9593, fifty percent (50%) of the proceeds from travel tax collections shall accrue to the Tourism Infrastructure and Enterprise Zone Authority (TIEZA), forty percent (40%) shall accrue to the Commission on Higher Education (CHED) for tourism-related educational programs

and courses, and ten percent (10%) shall accrue to the National Commission for Culture and Arts (NCCA).

The Filipino taxpayers are already heavily taxed. Among others, Filipinos pay income taxes and indirect taxes like the Value-Added Tax (VAT) imposed by the government. So as to ease the tax burden of the Filipino taxpayers, this proposed measure aims to exempt passengers traveling under economy class passage from paying travel taxes. Through this, average Filipino citizens will be able to enjoy their travel without incurring additional costs.

In view of the foregoing, the immediate approval of this measure is earnestly sought.

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a series of loops and a final horizontal stroke.

**RAFFY T. TULFO**

Senator

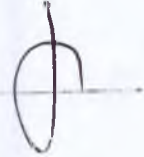
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*Be it enacted by the Senate and House of Representatives of the Philippines in Congress Assembled:*

1       Section 1. Section 1 of Presidential Decree No. 1183, is hereby further amended  
2 to read as follows:

3           " Section 1. There is hereby imposed, in lieu of the travel taxes levied  
4 under Section three of Republic Act No. 1478, as amended, and Section  
5 six of Republic Act No. 6141, a Travel Tax from all citizens of the  
6 Philippines, permanent resident aliens and non-immigrant aliens who  
7 have stayed in the Philippines for a period of not less than one year.  
8 There shall be based on the fares on the trip from the Philippines and  
9 the trip returning on going to the Philippines as well as the fares paid in  
10 foreign country in continuation of the trip from the Philippines and the  
11 trip returning or going to the Philippines. The Secretary of Finance within  
12 sixty (60) days from the approval hereof, shall prepare the Schedule of  
13 Travel Tax for the approval of the President. The schedule of Travel Tax  
14 may be amended from time to time by the Secretary of Finance which  
15 amendment shall take effect upon approval by the President. The Travel

1 tax under the Schedule shall not exceed the equivalent of fifteen per  
2 cent (15%) of the fare involved but in no case shall the tax be less than  
3 two thousand pesos for those traveling under first class passage; ~~one~~  
4 ~~thousand two hundred and fifty pesos for those traveling under economy~~  
5 ~~class passage~~ and seven hundred and fifty pesos for all others; provided,  
6 however, That **NO TRAVEL TAX SHALL BE IMPOSED UPON THOSE**  
7 **TRAVELING UNDER ECONOMY CLASS PASSAGE; PROVIDED**  
8 **FURTHER, THAT** subject to the provisions of Sec. 2 (i) and (k) hereof,  
9 individuals who are twelve years old or below shall pay only fifty per cent  
10 of the tax imposed therein."

11 Sec. 2. Section 2 of Presidential Decree No. 1183, is hereby further amended  
12 to read as follows:

13 "Section 2. The following shall be exempt from the payment of the travel  
14 tax imposed under section one of this Decree - x x x "

15 **"(I) PASSENGERS TRAVELING UNDER ECONOMY CLASS**  
16 **PASSAGE."**

17 Sec. 3. *Separability Clause.* – If any provision of this Act or the application  
18 thereof to any persons or circumstances shall be held unconstitutional, the remainder  
19 of this Act and the application of such provisions to other persons and circumstances  
20 not otherwise affected shall remain in full force and effect.

21 Sec. 4. *Repealing Clause.* – All laws, decrees, proclamations, issuances, or  
22 ordinances that are contrary to or inconsistent with the provisions of this Act are  
23 hereby amended, repealed or modified accordingly.

24 Sec. 5. *Effectivity.* - This Act shall take effect fifteen (15) days after its  
25 publication in the Official Gazette or in a national newspaper of general circulation.

Approved,