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SENATE

Senate Bill No. 584

RECEIVED BY: 


INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

Medicines, including essential, life-saving ones, are priced way too steep beyond the reach of ordinary Filipinos. Since these are indispensable and relatively demand inelastic commodities - where fluctuations in price have little or no effect upon market demand - certain consumers are placed at a greater economic disadvantage and feel the burden of the increasing medicine prices more than others. As such, there is a need to rectify the situation and balance the inequity, in line with the constitutional policy giving the highest priority to the enactment of measures that reduce social inequalities, promote the availability of health services to people at an affordable cost, and prioritize the needs of the underprivileged and the elderly.

In view of this policy, this bill seeks to provide a sensible solution to the rising cost of medicines, making it more affordable and accessible to ordinary Filipinos, by granting a 20% discount, exempt from the twelve percent (12%) value-added tax imposed by Republic Act No. 9337, on the sale of medicine to government employees and indigents.

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


JINGGOY EJERCITO ESTRADA
Senator

10 JUL -7 NO 48

SENATE

Senate Bill No. 584

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AN ACT
GRANTING GOVERNMENT EMPLOYEES AND INDIGENTS A TWENTY
PERCENT (20%) DISCOUNT ON THE SALE OF MEDICINES

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

SECTION 1. Policy. - It is the policy of the State to adopt measures that reduce social inequality, promote the availability of health services to people at an affordable cost, and prioritize the needs of the underprivileged and elderly,

SEC. 2. Discount on Medicines. - A twenty percent (20%) discount on the sale of medicines in all establishments, except Botika ng Bayan outlets, shall be granted to the following:

- (a) government employees;
- (b) indigents, as certified by the barangay where such indigent resides.

SEC. 3. Exemption from Value-Added Tax. - The sale of medicines under section 2 of this Act shall be exempt from the Expanded Value Added Tax as provided under the National Internal Revenue Code, as amended.

SEC. 4. Proof of Entitlement. - In availing of the discount mentioned in section 2 of this Act, the following documents shall serve as proof of entitlement:

- (a) For government employees, a valid government ID or their GSIS card;
- (b) For indigents, a barangay certificate of indigency.

SEC. 5. Implementing Rules and Regulations. - The Department of Health, within sixty (60) days from the approval of this Act, shall promulgate the implementing rules and regulations for the effective implementation of the provisions of this Act, in consultation and coordination with other concerned agencies and offices.

SEC. 6. Repealing Clause. - All laws, decrees, orders, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 7. Separability Clause. - If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 7. Separability Clause. - If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 8. Effectivity. - This Act shall take effect after fifteen (15) days following the completion of its publication either in the *Official Gazette* or in a newspaper of general circulation in the Philippines.

Approved,