

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 1961



Introduced by Hon. Mark O. Go

EXPLANATORY NOTE

It is the declared policy of the State to promote youth participation and development in the country. To this end, the Philippine Constitution recognizes the role of the youth in nation-building and shall promote and protect their physical, moral, spiritual, intellectual and social well-being. Sports tournaments, academic conferences and competitions, both local and international, are recognized as great venues where the youth of the country could excel and bring pride to their families, communities, schools and the country. The same goes for winning representatives to international beauty pageants who proudly represented the Philippines.

Furthermore, the State shall adopt policies ensuring the rehabilitation, self-development and self-reliance of disabled persons. Likewise enshrined in the 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.

This bill expands the coverage of travel tax exemptions and discounts laid down in Presidential Decree No. 1183 by granting travel exemptions to those who bring honor to the country when they travel abroad to join educational and sports competition as well as discounts for senior citizens and persons with disabilities.

The Philippines levies a travel tax of PhP 2,700 for first class passengers, PhP 1,620 for economy class passengers, half of these rates for standard reduced rates, PhP400.00 and PhP300.00, respectively for privileged reduced rates for dependents of Overseas Filipino Workers (OFWs).

In 2014, of the total departing passengers of almost 3 million, 2.6 million passengers or 86% were taxable while the remaining 421,673 passengers or 14% were exempt. Of the taxable passengers, only 5% paid the standard reduced travel tax, and 91,543 passengers or 3% paid the privileged reduced rates.

This representation believes that exempting students, athletes, academic conference participants and beauty pageant contestants as well as extending discounts to senior citizens and persons with disabilities from the payment of the travel tax will not adversely affect the country's travel tax collections which reached PHP 3.85 billion in 2014. This small

incentive is one way of showing our full support behind our fellow Filipinos who seek glory in the name of the country as well as to our senior citizens and persons with disabilities.

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



MARK O. GO

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 1901

Introduced by Hon. Mark O. Go

**AN ACT EXPANDING THE COVERAGE OF THE EXEMPTION FROM THE
PAYMENT OF TRAVEL TAX AND PROVIDING TRAVEL TAX
DISCOUNT TO SENIOR CITIZENS AND PERSONS WITH
DISABILITIES, AMENDING FOR THE PURPOSE PRESIDENTIAL
DECREE NO. 1183, AS AMENDED**

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

SECTION 1. Section 2 of Presidential Decree No. 1183, entitled “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”, as amended by Executive Order No. 283, series of 1987, is hereby further amended to read as follows:

“SEC. 2. The following are exempted from the payment of the travel tax imposed herein:

“(a) Foreign diplomatic and consular officials and members of their staff who are duly accredited to the Philippines, including the immediate members of their families and household domestics whose entry as such has been authorized by the Philippine Government;

“(b) Officials, consultants, experts and employees of the United Nations Organizations and of its agencies, and those exempted under existing laws, treaties and international agreements;

“(c) US military personnel and other US nationals, including their dependents and in proper case as indicated below, who are travelling on US Government-owned or chartered transport facilities or with fares expended out of the US Government funds to wit:

“(1) US military personnel and their dependents;

“(2) Filipinos in the US military services and their dependents;

“(3) Filipino employees of the US government travelling on US government business; and

“(4) US State Department visitor-grantees travelling on US government business.

“(d) Filipino overseas contract workers;

“(e) Crew members of ships and airplanes plying international routes who are leaving the country to assume their positions therein or to join their vessels or airplanes;

“(f) Filipino citizens who are permanent residents of foreign countries provided they present evidence that they filed their income tax returns and paid income tax due thereon, if any, to the Philippine government for the preceding year;

“(g) Members of the Philippine foreign service officially assigned abroad who are leaving the country to assume their posts, including their dependents;

“(h) Officials and employees of the Philippine government or any of its departments, bureaus and agencies travelling on official business;

“(i) Persons whose travel is provided or funded by foreign governments with which the Philippine government maintains diplomatic relations;

“(j) Bona fide students whose scholarships have been approved by the appropriate government agency **AND THOSE REPRESENTING THEIR SCHOOLS AND THE COUNTRY IN INTERNATIONAL SPORTS TOURNAMENTS AND ACADEMIC COMPETITIONS, AS CERTIFIED BY THE DEPARTMENT OF EDUCATION OR THE COMMISSION ON HIGHER EDUCATION;**

“(k) Infants who are two years old or less;

“(l) Personnel of multinational companies with regional headquarters at, but not engaged in business in the Philippines, and their dependents if joining them during the period of their assignments in the Philippines as certified to by the Board of Investments; [and]

“(M) PHILIPPINE REPRESENTATIVES TO ACADEMIC CONFERENCES AND COMPETITIONS ABROAD, AS CERTIFIED BY THEIR RESPECTIVE SCHOOLS, AND THE DEPARTMENT OF EDUCATION OR THE COMMISSION ON HIGHER EDUCATION;

“(N) PHILIPPINE REPRESENTATIVES TO INTERNATIONAL SPORTS COMPETITIONS AS CERTIFIED BY THEIR RESPECTIVE LOCAL GOVERNMENT UNITS (LGUs) AND THE SPORTS ASSOCIATIONS SPONSORING SUCH EVENTS;

“(O) PHILIPPINE REPRESENTATIVES TO INTERNATIONAL BEAUTY PAGEANTS AS CERTIFIED BY THEIR RESPECTIVE NATIONAL PAGEANT ORGANIZATIONS; AND

“[(m)](P) Those authorized by the President of the Philippines for reasons of national interest.”

SEC. 2. Section 2-A of the same decree, as amended, is hereby further amended to read as follows:

“SEC. 2-A. Unless otherwise exempted under Section 2 of the same decree, a reduced rate of P1,350 for first class passage and P810 for economy class passage shall be imposed on the following:

“(a) Individuals who are 12 years old or below but over two years of age;

“(b) Accredited Filipino journalists whose travel is in pursuit of journalistic assignments as certified to by the Press Secretary; and

“(c) Those authorized by the President of the Philippines for reasons of national interest.

“A TWENTY PERCENT (20%) DISCOUNT ON TRAVEL TAX IMPOSED ON FIRST CLASS AND ECONOMY CLASS PASSAGES SHALL BE GRANTED TO THE FOLLOWING:

“(1) SENIOR CITIZENS DULY CERTIFIED UNDER REPUBLIC ACT NO. 7432; AND

“(2) PERSONS WITH DISABILITIES DULY CERTIFIED UNDER REPUBLIC ACT. NO. 7277.”

SEC. 3. *Constitutionality Clause.* - If any provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in full force and effect.

SEC. 4. *Repealing Clause.*- Section 2 of Presidential Decree No. 1183, as amended by Executive Order No. 283, entitled “Restructuring the Travel Tax Exemptions and Restoring the Reduced Rates on Certain Individuals, Amending for this Purpose, Presidential Decree No. 1183, as Amended” Section 4 of Republic Act No. 7432, entitled “An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grant Benefits and Special Privileges and For Other Purposes,” and Title Two of Republic Act No. 7277, also known as the “Magna Carta for Disabled Persons” are hereby amended accordingly. All other laws, executive orders, presidential decrees, proclamations, rules, regulations, issuances, and enactments or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

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

Approved,